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Japan

Hosokawa Views 'Objective Criteria' in Dispute

OW2603092894 Tokyo KYODO in English 0920 GMT 26 Mar 94

[Text] Kanazawa, March 26 KYODO—Prime Minister Morihiro Hosokawa said Saturday [26 March] he will consider whether Japan can set up "objective criteria" as a way to slash its huge trade surplus with the United States. At a press conference here, Hosokawa said he would like to take enough time to consider whether it could be possible to incorporate objective criteria into a package of measures to cut Japan's 60 billion dollar trade surplus with the U.S.

Washington has been pressuring Tokyo to whittle down the lopsided trade surplus by setting up objective criteria, such as numerical targets to gauge foreign access to the Japanese market. Japan, however, is opposed to the idea, saying it would lead to managed trade.

The bilateral "framework" talks in Washington in February broke down due to differences over the matter.

As for domestic politics, Hosokawa said he wants to promote his plan to establish a study group within the coalition, saying it is important for coalition partners to fine-tune common ideas to fight elections.

Hosokawa's plan to form a study group involving all seven coalition parties is believed to be a preliminary stage before establishing a new party to fight off the leading opposition Liberal Democratic Party in the next general election. The coming election is likely to be held under a new system mixing single-seat constituencies and proportional representation.

Automakers Announce Auto Parts Import Programs

OW2803103294 Tokyo KYODO in English 1014 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Two major Japanese automakers announced Monday midterm global business programs designed to boost automobile and auto parts imports and promote cooperation with foreign makers.

Toyota Motor Corp., the industry leader, said its plan aims to increase worldwide procurement of parts and materials to 9.70 billion dollars in fiscal 1996 from 6.30 billion dollars in fiscal 1992. The company said its purchases from U.S. suppliers, including imports to Japan, will account for 6.45 billion dollars, up from 4.43 billion dollars in fiscal 1992.

Mitsubishi Motors Corp. said its program for international cooperation calls for procurement and imports from U.S. suppliers at a maximum of 2.07 billion dollars in fiscal 1996. The company said it will promote localization of its global vehicle production and boost overseas production to 700,000 vehicles in fiscal 1996 from 520,000 in fiscal 1993.

Its U.S. production base, Diamond-Star Motors in Normal, Illinois, will aim to boost the value of local procurement to 1.40-1.63 billion dollars in fiscal 1996 from 650 million dollars in fiscal 1993, the company said.

The local content ratio of vehicles produced by Diamond-Star Motors will rise to 80 percent or more in 1996 from the current level of about 70 percent, it said.

The company said its worldwide imports of auto parts will rise to 870 million dollars in fiscal 1996 from 680 million dollars in fiscal 1993.

Toyota said its basic policy is to increase overseas production to raise the portion of locally assembled vehicles in total sales overseas.

In line with this, the company said its production overseas will be raised by about 50 percent to 1.35 million to 1.40 million vehicles by the end of 1996 over the 1993 level of 890,000. The company said its wholly owned U.S. car plant will double its output to 400,000 vehicles from 200,000 while its production in Britain will increase from 37,000 in 1993 to 100,000 in 1994.

Both Toyota and Mitsubishi said they will strengthen cooperation with local automakers and parts suppliers.

Coca-Cola (Japan) Firm Accused of Tax Evasion

OW2503131194 Tokyo KYODO in English 1248 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Coca-Cola (Japan) Co. said Friday [25 March] it has been accused of failing to declare a total of about 37 billion yen in income from 1990 through 1992 but that it will appeal the assessment.

Japan's National Tax Administration Agency claims Coca-Cola (Japan) failed to report income gained in Japan and, instead, paid the income to its parent firm, the Coca-Cola Co., as royalties, the firm said.

The tax agency claims the royalties paid by Coca-Cola (Japan) to its parent firm over three years were higher than usual, the firm said.

It has imposed an additional tax of about 15 billion yen on Coca- Cola (Japan), the firm said.

Coca-Cola (Japan) issued a statement saying it is dissatisfied with the assessment and will seek consultations between the Governments of the United States and Japan. "The matter will now be reviewed by the United States and Japanese tax authorities under the treaty signed by the two nations to prevent double taxation," the statement said.

"The royalties we pay are fair and reasonable given the unmatched value of Coca-Cola Co.'s trademarks, manufacturing, marketing and know-how," said Roi Suzuki, executive vice president and director of Coca-Cola (Japan).

"In the 40 years we have operated in Japan, we have always paid our taxes in full and in strict compliance with Japanese laws. In fact, Coca-Cola (Japan) Co. is today the single largest taxpayer among foreign affiliated companies in the country," he said.

Coca-Cola (Japan), founded in 1957, is financed entirely by Coca-Cola Export Co. and has a 35 percent share in Japan's soft drink industry. It declared 49.4 billion yen in income to Japanese tax authorities in December 1992.

ROK's Kim, Delegation Conclude Meetings, Visit

Kim's Reception at Diet Viewed

SK2503065894 Seoul YONHAP in English 0628 GMT 25 Mar 94

[Text] Tokyo, March 25 (YONHAP)—President Kim Yong-sam, after receiving an enthusiastic reception from both houses of the Japanese Diet Thursday [day as received], delivered a speech in a voice brimming with confidence.

His speech concentrated on the past, present and future of relations between the two neighbors.

Led by the speaker of the Lower House, Masako Doi, Kim and his wife, Son Myong-sun, entered the Diet hall to a standing ovation. He responded with gentle waves.

During his 20-minute speech, Kim was interrupted by applause 14 times. Many Japanese lawmakers nodded with approval when the South Korean president emphasized that his country and Japan will have to work together for peace and prosperity in the Asia and Pacific region.

Japanese Prime Minister Morihiro Hosokawa sat in his assigned seat in the Lower House while Doi and other parliamentary leaders sat on the right side of the podium and members of Kim's entourage, on the left.

Kim waved from the podium when all members of parliament stood up and applauded at the end of his speech.

Prior to his speech, Doi told the president that "Korea was the first country in the world to invent metal printing type and Japan has learned a great deal of cultural traditions from Korea."

"Japan's extreme action once created tension between our two countries but by looking at our past correctly and reflecting on it, we have to restore mutual trust," she said.

After giving his speech, Kim chatted briefly with Doi and the president of the Upper House of the Diet.

"President Kim's gait is very strong and full of vitality," Doi told the Korean visitor. "We all listened to your speech in an exciting atmosphere," she added.

Later, Doi led Kim to the upper house president's chamber where they met with more than 70 Japanese parliamentary leaders and representatives of political parties. Welcoming Kim "whole-heartedly," Doi proposed a champagne toast, and Kim responded that he was happy and honored to have delivered a speech at one of the most well-known landmarks in Asia.

South Korean-Japanese relations have experienced difficulties because of an overemphasis on the past, Kim said. "(but) let us work together to open a new era of Korea-Japan relations," he said.

Economic Cooperation Proposed

OW2503053394 Tokyo KYODO in English 0511 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—South Korean President Kim Yong-sam on Friday [25 March] urged more investment in South Korea by Japanese firms and vowed to deal with the current trade imbalance by actively seeking to expand exports. Kim, at the midpoint of his three-day visit to Japan, told Japanese business leaders at a luncheon, "though we are greatly concerned about the bilateral trade imbalance, we will endeavor to resolve it through the positive approach of expanding our exports, rather than through the passive approach of restricting imports."

Kim is on a weeklong tour of Japan and China to encourage east Asian economic cooperation as well as a coordinated effort to persuade North Korea to desist with its nuclear brinkmanship. The South Korean president sees the hard-line communist government of Kim Il-song as not only a military and political threat but also "a major impediment to regional exchanges and cooperation."

Kim sees Asia as "the most dynamic economic region of the world" which is "expected to emerge as the main axis for the global economy" in future. "We must strive to eliminate any obstacle to free trade and economic cooperation so as to promote coexistence, shared prosperity and balanced development throughout Asia," he said.

Expanding upon his November summit with Prime Minister Morihiro Hosokawa, Kim was optimistic about the two young administrations in Seoul and Tokyo.

"We have been able to diminish differences between Seoul and Tokyo over how to redress our trade imbalance and how to promote technological cooperation," Kim said. With regard to the trade imbalance that reached 8.45 billion dollars in Japan's favor in 1993, Kim vowed, "we will work harder to improve product quality and reliability and meticulously fulfill delivery and other contract terms."

Kim was also optimistic that the new initiative for an economic partnership, scheduled to hold its first meeting in Seoul next month, would serve as "a major vehicle for bilateral dialogue and cooperation.

Calling his visit to Tokyo a "new catalyst for consolidating our forward looking bilateral ties and economic cooperation," Kim urged the Japanese business leaders to "actively take advantage of the improving investment climate in (South) Korea."

Trade Insurance Notes Exchanged

OW2503034794 Tokyo KYODO in English 0338 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Japan and South Korea exchanged notes in Tokyo on Friday [25 March] to promote mutual cooperation on trade insurance. Japan's Trade Minister Hiroshi Kumagai and his South Korean counterpart Kim chol-su agreed Thursday that the two countries will strive to build cooperative ties in government trade insurance.

Under the accord, Japan's Ministry of International Trade and Industry and Korea Export Insurance Corp. will jointly cover trade insurance for projects undertaken by Japanese and South Korean companies in developing countries. The cooperation will also feature regular meetings among insurance experts from the two countries and interchange of information on country risks and other problems involved in projects.

Second Round of Summit Held

OW2603034594 Tokyo KYODO in English 0333 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—South Korean President Kim Yong-sam said Saturday he will hold "thorough" talks on the North Korean nuclear issue with Chinese leaders during his visit to China, Japanese Foreign Ministry officials said.

Kim told Prime Minister Morihiro Hosokawa during a second round of summit talks Saturday that South Korea does not want North Korea to become internationally isolated and hopes the international community will not move toward imposing sanctions against Pyongyang, the officials said. But "the ball is in North Korea's court," they quoted Kim as saying.

Kim, who is to leave Tokyo later in the afternoon for Shanghai, told Hosokawa at the Akasaka Palace that he believes China is opposed to North Korea's nuclear armament but that he wants to listen to China's position on the matter and hold "thorough" discussions with the Chinese leadership, the officials said.

The president predicted the United Nations Security Council will first move toward recommending North Korea to accept full inspections by the International Atomic Energy Agency (IAEA) and to promote dialogue between Seoul and Pyongyang rather than immediately deciding on sanctions, according to the officials.

Kim said there have not been any unusual moves in North Korea although military exercises have been held there since February 3.

There has also been no unrest in South Korea regarding North Korea's situation, Kim said, citing as an example the stable stock market.

During the hourlong meeting, Hosokawa and Kim agreed to promote bilateral economic relations in an expanded and balanced way, the officials said.

Kim pointed out that South Korea's annual trade deficit with Japan stands at about 8 billion dollars and urged Japan to import more South Korean goods.

Hosokawa agreed that Japan should make efforts to boost imports from South Korea and promote deregulation, but urged Seoul to try to strengthen competitiveness, stabilize labor-management relations and beef up the environment for investment, the officials said.

The premier added that Japan wants to support South Korea's small- and medium-sized companies, they said.

Hosokawa agreed to study Kim's call to send a Japanese survey team to South Korea to study investment environment there, they said.

Kim also voiced South Korea's interest in entering the Japanese construction market, and Hosokawa replied he will have the concerned ministries and agencies study the matter, they said.

Turning to Kim's proposal to promote cooperation among Japan, South Korea and China in the environmental, medical and cultural fields, Hosokawa agreed to study the proposal through working-level talks, the officials said.

Kim suggested that the three nations cooperate on joint projects concerning environmental problems, in the field of modernization of oriental medicine and in their common culture based on the use of Chinese characters, they said.

Kim told Hosokawa China has shown "positive" reaction to the proposal.

The president also said his policy of boosting bilateral relations with Japan by looking into the future rather than to the past is a step away from that of previous South Korean governments, and that he believes the majority of the South Korean people support such a policy, according to the officials.

Hosokawa and Kim also discussed cooperation in the ultrahigh-speed information communication field.

Earlier in the day, the two leaders held talks over breakfast accompanied by their wives.

Topics discussed during the breakfast included North Korea, Hosokawa's trip to China and political reform in Japan and South Korea, the officials said.

Trade Cooperation Agreed

SK2603033294 Seoul YONHAP in English 0255 GMT 26 Mar 94

[Text] Tokyo, March 26 (YONHAP)—South Korean President Kim Yong-sam and Japanese Prime Minister Morihiro Hosokawa agreed Saturday to work together for the economic development of the Asia-Pacific region.

In their second summit meeting at the official Guesthouse, Kim and Hosokawa also discussed the need for their countries to jointly cope with the new round of global trade negotiations.

The expanded summit was attended by their cabinet ministers concerned with economy and trade. The two leaders' wide-ranging discussions included the North Korean nuclear issue, expanded and balanced bilateral trade and technology cooperation.

The two sides also touched on joint projects involving South Korea, Japan and China, co-action in the APEC (Asia-Pacific Economic Cooperation) forum, and multilateral security arrangements in northeast Asia.

Seoul and Tokyo agreed to strive for an early resolution of the North Korean nuclear issue, including concerted efforts at the United Nations Security Council, Kim said in a press conference he gave jointly with Hosokawa after the summit. "If North Korea changes its attitude even now, South Korea is ready to take appropriate steps," Kim said.

Kim is to wind up his three-day visit to Japan and leave Tokyo for Shanghai Saturday to start a five-day tour of China.

Earlier in the day, Kim and Hosokawa had a breakfast meeting and reaffirmed their commitment to cooperate on the North Korean nuclear problem.

They also shared the opinion that China's active participation and cooperation are essential for the interests of the entire Northeast Asia, said South Korean presidential spokesman Chu Ton-sik.

Touching on the trade imbalance in his talks with Hosokawa, President Kim asked Japan to buy more Korean products and send a mission to Seoul to help increase Japanese investment in Korea.

Noting the need for increased exchanges between small- and medium-sized companies in the two countries, Kim requested that Korean firms be allowed to participate in construction projects in Japan. Kim also proposed that Korean and Japanese builders bid jointly for construction projects in third countries.

In addition, Kim proposed that South Korea, Japan and China undertake joint endeavors including development of oriental medicine, standardization of Chinese characters and formation of a Northeast Asian environmental consultative organization. Hosokawa said he was agreeing in principle to the proposal.

Moreover, South Korea asked Japan to jointly cope with the new round of international negotiations on environmental issues.

Nuclear Issue Cooperation Vowed

SK2603034194 Seoul YONHAP in English 0257 GMT 26 Mar 94

[Text] Tokyo, March 26 (YONHAP)—South Korean President Kim Yong-sam and Japanese Prime Minister Morihiro Hosokawa said Saturday [26 March] they had agreed on the need for cooperation at both the international and bilateral levels to break the North Korean nuclear deadlock. Emerging from an expanded summit meeting in the Japanese capital, the two leaders said that while the nuclear issue affects security in the entire Northeast Asian region, they had agreed to keep the door open for a peaceful solution through dialogue.

Hosokawa, asked what actions his country would take in case the U.N. Security Council imposed sanctions on North Korea, said he preferred not to go into detail.

The South Korean president came to Tokyo Thursday on a state visit. He held a private summit with Hosokawa on the day of his arrival.

Saturday's meeting was joined by aides and accompanying cabinet ministers.

"South Korea and Japan agreed to consult closely with the United States and China, to do our best to solve the nuclear problem," Kim said at a press conference.

He heads for Beijing via Shanghai later in the afternoon, where seeking Chinese support in resolving the nuclear issue is his key task. "The one thing that's clear is that China, too, is absolutely against North Korea possessing nuclear weapons," said Kim.

"North Korea's nuclear development is a subject of the greatest security concern," Hosokawa said. "It's important for the international community to deal with North Korea in a concerted, firm way. But we also agreed that it's important to keep the window open to dialogue."

He declined to go into specifics on how Japan might participate in U.N. sanctions, "because they are not under discussion at the Security Council as of now."

Asked about the Japanese stance on South Korea's bid for a non-permanent seat at the Security Council, Hosokawa said he is studying the matter carefully.

On bilateral issues, Kim said the two countries will cooperate closely in dealing with any new trade negotiations. In tackling the trade imbalance between the two countries, he called for enlargement of their trade relations as a solution.

Emperor's Visit Request REnewed

OW2603052794 Tokyo KYODO in English 0507 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—South Korean President Kim Yong-sam renewed his hope Saturday [26 March] for the visit to South Korea by Emperor Akihito and Empress Michiko, a senior Imperial Household Agency official said. Kim, before departing for China after a three-day visit to Tokyo, extended the invitation again to the imperial couple as they bid farewell to Kim and his wife Son Myong-sun at the Akasaka Palace, said Kiyoshi Sumiya, the agency's grand master of ceremonies.

Kim told the couple during the 20-minute meeting that he wishes to invite them to visit South Korea at a proper time.

During an audience at the imperial palace on Thursday, the president officially invited Emperor Akihito and Empress Michiko to visit South Korea to forge a new future-oriented relationship. At that time, the emperor replied the Japanese Government would decide on whether he will go to South Korea.

The visit by Japan's monarch, however, is still a sensitive issue in South Korea, which was under Japanese colonial rule from 1910 to 1945.

During his stay in Tokyo, Kim urged Japan to work together to solve North Korea's suspected nuclear weapons development program, which has heightened tension on the Korean peninsula, and stressed the importance of forward-looking bilateral relations.

Joint News Conference Held

OW2603033594 Tokyo NHK General Television Network in Japanese 0121 GMT 26 Mar 94

[Joint news conference by Prime Minister Morihiro Hosokawa and South Korean President Kim Yong-sam with foreign and domestic correspondents at the State Guesthouse in Tokyo; Kim speaks in Korean with passage-by-passage translation into Japanese—live]

[Text] [Unidentified Japanese official] Now, both the prime minister and president will field questions from reporters.

[Nishijima, YOMIURI SHIMBUN] I would like to ask the president: Mr. President, you will soon leave Japan for China. What are you going to discuss with Chinese leaders in connection with the issue of North Korea's nuclear development? What did you and Prime Minister Hosokawa discuss in connection with this issue at the second round of summit talks? And, would you explain what was agreed and affirmed between you and the prime minister on issues other than that of North Korea's nuclear development?

[Kim] The issue of North Korea's nuclear development was high on the agenda of the summit talks, and the prime minister and I devoted much time to discussing the issue. As for the issue of North Korea's nuclear development, I believe that the ball is now in North Korea's court. Prime Minister Hosokawa and I agreed North Korea should not be isolated in the international community, and it should not become an orphan of the international community. The issue of North Korea's nuclear development is the most important issue that could directly affect peace in Northeast Asia, especially on the Korean peninsula. Therefore, I, and the prime minister, agreed that South Korea, Japan, the United States, and China should make utmost efforts to solve the issue through discussion. I will leave for China today. Regarding your question about China's attitude toward the issue, I do not think it is expedient to predict what attitude China will take prior to my visit to that country. What is clear, however, is that China takes a resolute position opposing North Korea's development of nuclear weapons. I think you are aware of that.

[Cho Chung-min, MBC] I would like to ask Prime Minister Hosokawa: Mr. Prime Minister, at the summit talks on 24 March you said that if the UN Security Council decides to slap sanctions on North Korea, Japan will make a responsible response to the sanctions within the limits of the Japanese Constitution. Mr. Prime Minister, would you specifically explain what responsible response means? And, did you and the president discuss South Korea's bid for nonpermanent membership, and Japan's bid for permanent membership on the UN Security Council at the summit talks?

[Hosokawa] I would like to answer your first question. You asked me to confirm whether, at the summit talks, I said Japan will make a responsible response to sanctions against North Korea within the limits of the Japanese Constitution if the UN Security Council decides to impose them. At the present stage, the UN Security Council has not discussed imposing sanctions on North Korea and therefore, I would like to refrain from answering your question. In any case, I think it is very important that countries in the international community unite to indicate their solid attitude toward North Korea. At the same time, it is also important to leave open the door for dialogue with North Korea. President Kim and I confirmed that point. You asked about Japan's bid for permanent membership, and South Korea's bid for nonpermanent membership on the UN Security Council. Japan's bid was not on the agenda of the summit talks, but President Kim asked Japan to examine positively South Korea's bid for nonpermanent membership.

[Unidentified official] The scheduled time is up and I would like to conclude this news conference.

Hosokawa Opening Statement Noted

OW2603023794 Tokyo NHK General Television Network in Japanese 0104 GMT 26 Mar 94

[Statement by Prime Minister Morihiro Hosokawa at a joint news conference with ROK President Kim Yong-sam held at the State Guesthouse in Tokyo—live]

[Text] I would like to give my remarks first. It is a great pleasure to welcome President and Mrs. Kim Yong-sam as our state guests this time, following our recent talks in Kyungchu. At the current summit talks held following the last talks, we were able to have a broad exchange of views in a frank way on relations and cooperation between our two nations.

As one who is also engaged in reforms, I would like to express my sincere respects to President Kim Yong-sam for his continuous efforts in carrying out reforms at home with his excellent leadership.

It goes without saying that to promote development of Japan-ROK relations, it is important to further deepen the understanding between peoples of our two nations on the basis of lessons learned from past history. And, it is based on this concept that we have recently decided to provide new support for ROK students studying in Japan.

To enable Japan-ROK relations to mature further, I would like to talk with the president on the need for the diversification and internationalization of bilateral relations. Diversification means promoting exchanges in various fields and between the people of various generations. As for internationalization, this means that Japan and the ROK should promote cooperative relations between our two countries in the international community. I believe that with the approach of the 21st century, our cooperation in the international community will become more and more extensive. And, I feel that through such cooperation, we will be able to actually realize that Japan and the ROK are two irreplaceable partners for each other.

The issue of North Korea's development of nuclear weapons has now become the most serious concern in Northeast Asia, where our two countries are located. We have discussed this issue at the current talks, and President Kim and I share the view that it is important to settle the issue through close cooperation with China, the United States, and other concerned nations.

I am convinced that through President Kim Yong-sam's current visit to Japan, we have been able to further develop the friendly relationship between our two nations. And I believe it is important for us to solidify this friendly relationship for the future of the peoples of our two nations as a whole, and with the president, I would like to do my best for this purpose.

Thank you very much.

Kim Gives Conference Remarks

SK2603023894 Seoul KBS-1 Television Network in Korean 0111 GMT 26 GMT 94

[Statement by President Kim Yong-sam at joint news conference with Japanese Prime Minister Morihiro Hosokawa held at the State Guesthouse in Tokyo—live]

[Text] Dear reporters, I, first, thank Prime Minister Hosokawa and Mrs. Hosokawa for their warm hospitality and for their thorough preparation for our successful visit to Japan.

During my visit, I have met with the major Japanese leaders, including Prime Minister Hosokawa, and have frankly exchanged views with them regarding the direction in which the ROK and Japan should move to promote their friendly relations amid rapidly changing international trends.

Prime Minister Hosokawa and I have agreed that both the ROK and Japan, as neighboring countries jointly pursuing freedom, democracy, and the market economic system, should cooperate anew on leading the Asian-Pacific era. Toward this end, both the ROK and Japan must establish multilateral friendly relations as soon as possible. Also, we have agreed to practically strengthen cooperation to promote these relations.

Peace and security on the Korean peninsula, located in the center of Northeast Asia, are very important in maintaining peace and security in that area. For the stability of the Korean peninsula, first, North Korea must dispel the suspicion of its nuclear development and North-South dialogue must be earnestly carried out.

Despite our efforts to peacefully resolve the North Korean nuclear issue through dialogue, the nuclear issue has been finally referred to the UN Security Council because of North Korea's insincere attitude. I think it is very regrettable. The North Korean attitude is an important factor. If North Korea changes its attitude even at this moment, we will take corresponding steps.

Regarding this, during these talks, the ROK and Japan have agreed to further strengthen their close cooperation to immediately resolve the North Korean nuclear issue, including cooperation in the UN Security Council.

Prime Minister Hosokawa and I hope that the ongoing reform in political, economic, social, and all other areas—both in the ROK and Japan - will be successfully carried out, and we are of the same opinion that the reform will ultimately consolidate the new relations between the ROK and Japan.

The conclusion of Uruguay Round negotiations and the beginning of the new world economic order are expected to aggravate the trade competition among countries.

In the recent talks, the ROK and Japan have agreed to make joint efforts for continuous development of Asian-Pacific economic cooperation and to closely cooperate with each other to cope with the new trade round [saeroun tongsang raundue taeunghame issoso].

We also agreed to break the trade imbalance between the two countries and try to restore balance by expanding economic relations through close economic cooperation.

The two countries also promised to make joint efforts to further develop mature [songsukan] ROK-Japanese relations, which began to ripen last year, with the inauguration of the ROK civilian government and Prime Minister Hosokawa's ROK visit as momentum.

If the ROK and Japan deepen mutual trust for the bright future with a correct understanding of these promises, the road for a good-neighbor relationship will open wide.

Next year will be significant because it will mark the 30th anniversary of the normalization of ROK-Japanese diplomatic relations. I expect the peoples of the two countries will make efforts to further mature ROK-Japanese relations on this occasion.

I am sure my visit to Japan will serve as an important turning point in establishing mature ROK-Japanese relations extending toward Asia and the world.

Thank you.

End to DPRK 'Isolation' Urged

OW2603013294 Tokyo KYODO in English 0121 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—South Korean President Kim Yong-sam said Saturday it is "imperative" that Japan and South Korea work to end North Korea's isolation and halt its suspected nuclear arms program.

In a joint press conference with Prime Minister Morihiro Hosokawa after a second round of summit talks, Kim said that South Korea and Japan share a common interest in developing economic cooperation in the Asia-Pacific region.

Peace and security on the Korean peninsula are essential to stability in the region, but vestiges of the Cold War still linger on the peninsula, Kim said.

Kim stated that it is "imperative that neighboring countries work together toward making North Korea discard its isolationist policy." He also said it is "imperative that North Korea give up its suspected nuclear arms development program and return to the South-North dialogue."

Reporting his agreement with Hosokawa on economic cooperation in the East Asian region, Kim noted that both sides agreed the lopsided bilateral trade imbalance must be resolved.

The president ends a three-day visit to Japan Saturday afternoon, leaving for Shanghai for talks with Chinese leaders.

Kim said it was "the insincerity of North Korea that brought about the referral" of the nuclear issue to the United Nations Security Council.

"Measures should be taken in accordance with the North's attitude," the president said, suggesting a flexible stance toward Pyongyang.

Hosokawa stressed the need for a firm and unified response of international society to the issue while leaving open a window for dialogue with North Korea.

The president, in his meeting with Hosokawa on Saturday [26 March], said that instead of suddenly imposing sanctions on North Korea, countries should begin by calling for the inspections and promoting the resumption of inter-Korean dialogue.

"I hope we don't follow the path of isolating the North," the officials quoted him as saying.

Kim told Hosokawa that he was aware that Pyongyang had conducted some military exercises on February 3, but added that there did not appear to be anything unusual in the current situation in North Korea.

Hosokawa, speaking on bilateral trade issues, said he would do his best to redress the current trade imbalance and will consider the dispatch on an investment study team to South Korea.

Delegation Departs Tokyo for PRC

OW2603040394 Tokyo KYODO in English 0354 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—South Korean President Kim Yong-sam departed from Tokyo's Haneda airport on Saturday [26 March] for China where he will meet Chinese leaders to discuss North Korea's alleged nuclear arms program and Seoul's growing trade ties with Beijing.

Kim and his wife Son Myong-sun concluded a three-day visit to Tokyo where the South Korean president urged joint efforts to persuade Pyongyang to give up its nuclear ambitions and stressed the importance of future-oriented bilateral relations.

Roundtable Panel Views DPRK's Nuclear Issue

OW2703132694 Tokyo NHK General Television Network in Japanese 0000 GMT 27 Mar 94

[Roundtable "Discussion" program with Nobuo Matsunaga, government representative and former ambassador to the United States; Keio University Professors Masao Okonogi and Tomoyuki Kojima; Kan Indoku, chief of the ROK Far East Affairs Institute, in Seoul; Larry Nikshu, member of the U.S. Congress Research Bureau, in Washington; and William Taylor, deputy chief of the U.S. Strategic International Affairs Institute, in Seoul—all identified by caption, moderated by NHK commentator Takashi Yamamoto and reporter Sato]

[Excerpts] [Yamamoto] Mr. Matsunaga, do you think the situation involving North Korea has returned to that of a year ago when it announced its withdrawal from the Nuclear Non-Proliferation Treaty [NPT], or has the situation worsened?

[Matsunaga] As you know, tension in the world has now eased following the end of the Cold War. However, there are conflicts and disputes in various regions, and tension is now growing in certain places. I have the impression that tension on the Korean peninsula is mounting. While North Korea retracted its announcement on the withdrawal from the NPT, it took coercive actions. For this reason, I think the tension is now growing as compared with the situation a year ago. However, we should not lose our hope even under such circumstances. [passage omitted on remarks by other participants]

[Yamamoto] Mr. Taylor said that North Korea is just engaging in its conventional diplomatic policies as it has done before. Mr. Matsunaga, why do you think North Korea rejected inspection of its nuclear facilities by the International Atomic Energy Agency?

[Matsunaga] I think the country is trying to display its diplomatic power by hinting at the possibility of its developing nuclear weapons. We need to consider why North Korea is trying to do so. I think its top priority task is to secure its existence and development. I believe that, to that end, it intends to make utmost use of the suspicion of its nuclear development program. The international community probably thinks North Korea's nuclear capability itself—when assumed that the nation possesses nuclear arms—is not relatively large. However, even if a nuclear weapon is a single-shot one, it will produce an unfathomable impact if it is used. For this reason, North Korea's suspected nuclear development involves danger. What is most important is that a certain misunderstanding or other factors will not serve as an impetus to the outbreak of some incidents. To that end, I think Japan, South Korea, the United States, China, and Russia need to make additional efforts to persuade North Korea to dispel suspicion about it. [passage omitted on remarks by other participants]

[Yamamoto] We do not understand well why North Korea is trying to develop nuclear arms. What do you think of it?

[Matsunaga] Mr. Okonogi stated earlier that he had thought North Korea was playing for time. I still believe it is just playing for time in view of its serious economic situation. While the political situation in North Korea is not reportedly bad, its economic situation is very serious. I have no choice but to say North Korea's economic power is rapidly declining in the East Asian region. Its greatest concern probably is to secure its existence. In that sense, its leaders have a feeling of crisis now. They think it will take much time to overcome this sense of crisis. Moreover, it is said that a change of power will take place in North Korea from Kim Il-song to Kim Chong-il. In this sense, North Korea is in a transition period. I think this is one of the reasons why they feel a growing sense of crisis. Then, why do they have to prepare themselves for the change while feeling a sense of crisis? Well, Russia, China, the ROK, and Japan are North Korea's neighboring countries. Of them, Russia and China have nuclear weapons. Japan and the ROK, although they do not have nuclear weapons, are under the American nuclear umbrella. Therefore, I am of the opinion that the North Koreans think that there is great danger that this tension will continue to grow and eventually explode somewhere unless they do something about it.

[Yamamoto] What does the international society have to do to deal with North Korea if that is the case?

[Matsunaga] As Mr. Taylor has pointed out, I think that primarily, North Korea has to make its existence known to the international society and to seek development while cooperating with the international society. But, the North Korean leaders may be feeling that they do not have a chance to do that. I am sure they realize that the nuclear weapons development is not beneficial to North Korea at all. However, we can explain the current situation only from the viewpoint that they feel a sense of crisis.

[Sato] I think that the ROK, although the United States withdrew its nuclear arms from there, feels that it is still under the U.S. nuclear umbrella. The DPRK-USSR trade accord is actually invalid. It still has a trade agreement with China. Do you think North Korea feel unsafe in this situation?

[Matsunaga] I do not think it does. North Korea cannot count on Russia, former Soviet Union. Its reliance on Russia is rapidly decreasing. China is the only remaining partner. I think, however, the North Korean leaders do not want to be placed completely under China's protection. I think they want to have a free hand.

[Yamamoto] Now, I would like to move to the issue of how the issue of North Korean nuclear weapons will develop. Various negotiations are being held at the UN Security Council. Reporter Sato will explain how the things may develop. [passage omitted on Sato's explanations and remarks by other participants]

[Yamamoto] Mr. Matsunaga, Japan and the ROK agreed at the summit talks that Japan, the ROK, China, and the United States have to cooperate to break the current deadlock. What role can Japan play in such a situation?

[Matsunaga] As has been pointed out, I think it is correct for Japan, the ROK, and the United States to cooperate with each other to find out North Korea's true intentions. However, it is true also that China is the biggest influential power. This is very important in terms of two viewpoints. First, North Korea is in confrontational ties with Japan, the ROK, and the United States, although its ties with each of the three countries differ slightly. In this sense, Japan, the ROK, and the United States are not friendly countries to North Korea. However, China is different. It has ties of friendship and trust with North Korea. Therefore, China has the strongest persuasive power.

Second, North Korea is relying 100 percent on China for energy, which is indispensable to the North Korean economy. In this sense, China has a trump card. Therefore, I think it wields the strongest persuasive power. As Mr. Okonagi said, China's prestige will go up if it uses this trump card to change North Korea to act in a reasonable manner. The important thing is that we need to support China. I think Japan needs to think about cooperating with China.

As for the UN response to North Korea's suspected development of nuclear weapons, I think that discussions at the United Nations or the Security Council will have significant effect in terms of generating public opinion in the international community. Its policies are isolating North Korea in the international society. Its isolation is not beneficial at all to the international society as a whole. We need to bring it back to the international society. I think China has major influential power to do that, too. Therefore, Japan needs to assume the stand of supporting China.

[Yamamoto] You mean that Japan needs to work with China, right?

[Matsunaga] Yes, I mean to work with China.

[Yamamoto] As we discussed earlier, the UN Security Council will gradually introduce necessary measures to deal with North Korea. How do you think Japan should respond if the Security Council asks it to join in economic sanctions against North Korea?

[Matsunaga] Fundamentally speaking, Japan has to support 100 percent and cooperate with the United Nations if it decides to impose sanctions against North Korea. However, the reality is that we have to go through many steps before that. I also think there is a limit to the effect of sanctions. Therefore, I am of the opinion that we should not rely on sanctions alone. It is important for us to make efficient use of peaceful approaches, such as discussions and the persuasive power. [passage omitted on remarks by other participants]

[Yamamoto] Mr. Matsunaga, it seems that Japan will be forced to make difficult decisions and be asked, depending on the situation in the future, to cooperate with the United Nations in military actions. What do you think of this issue?

[Matsunaga] Japan is a U.S. ally. It made it clear that it would fully support and cooperate with the United States. But, it has to avoid the possibility of sending wrong signals to North Korea. On the other hand, Japan also fully supports the ROK's stance. I think we should continue to do that.

On the other hand, we hope for true peace and stability on the Korean peninsula. To realize that, Japan and North Korea need to normalize their diplomatic ties first. We started negotiations for normalization of diplomatic ties between the two countries. But, the North Korean officials walked out of the negotiations two years ago. Needless to say, they have to take Japan's economic power into consideration. I think it is very important for North Korea to decide, on the basis of cool judgment, to return to the negotiation table for normalization of diplomatic ties. I think China hopes that, too.

[Yamamoto] The time is up for us. Thank you very much for joining in this program.

Saito Gives 'Tacit' Support to PRC on DPRK

OW2803122994 Tokyo KYODO in English 1159 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Japan voiced tacit support Monday [29 March] for China's proposal for a soft nonbinding statement at the U.N. Security Council urging North Korea to accept full nuclear inspections. Vice Foreign Minister Kunihiko Saito told a news conference, "not a single country believes it's appropriate to take measures that could escalate things rapidly to a high stage (of urgency)."

Britain, China, France, Russia and the United States last week conferred privately over a draft resolution.

The U.S. has proposed a resolution urging North Korea to agree to follow-up inspections of its nuclear facilities within one month. The resolution does not call for sanctions but leaves room for "further action if necessary."

China, which is eager to keep open the door for dialogue with North Korea, says it is too early for such a step. China suggested Friday that the Security Council issue a nonbinding statement in the name of its president, Jean-Bernard Merimee of France, which unlike a resolution could be adopted by consensus rather than by vote.

Saito said Tokyo expects the 15-member Security Council to take measures "most suitable at this point, as many members have the same awareness of the problem as we do." Noting that "the aim is to make North Korea change its policy and not to take punitive action," Saito said Tokyo does not "object" to the dialogue approach.

As a permanent member China holds the power of veto, which it is likely to use if the council calls for tougher action such as economic sanctions against its longtime ally North Korea.

South Korea's Foreign Minister Han Sung-chu said Sunday before adopting resolutions China's proposal "may be effective."

Concerning direct talks between Japan and North Korea, Saito said Tokyo would positively respond if Pyongyang signaled interest in such talks, which "it does not seem to have."

Survey Conducted Among Koreans Living in Japan

OW2503023894 Tokyo KYODO in English 0217 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—More than 70 percent of the young Korean people in Japan surveyed last summer said they feel a sense of attachment toward this country, the Korean Youth Association in Japan said Friday [25 March]. The association affiliated with the pro-Seoul Korean Residents Union in Japan suggested in the report that the younger generation of Koreans born in and living in Japan consider their permanent residency here as a matter of course.

The results of the report were brought to the public's attention as South Korean President Kim Yong-sam visits Tokyo, stressing the importance of future-oriented relations between the East Asian neighbors.

Many Korean youth living in Japan today are descendants of Koreans forcibly brought to this country under its harsh colonial policies before and during World War II to labor in Japanese factories and mines. After the war, many retained their Korean nationality and today an estimated 700,00 Koreans are living throughout Japan as permanent residents.

The survey conducted between June and September last year polled 800 Korean young men and women between the ages of 18 and 30 who were born in Japan but hold South Korean citizenship. The results were released in February.

In addition to the more than 70 percent who said they felt a sense of attachment to Japan, more than 50 percent of the survey respondents also said they felt a sense of attachment to the Korean community in Japan.

Roughly 40 percent said they felt attachment to South Korea, while less than 10 percent had similar feelings of attachment toward the Korea of old before it was divided following World War II.

In response to a question about returning to Korea, just short of 30 percent of the respondents said they wished to return while another 30 percent said either Korea or Japan would be fine. More than 40 percent of the respondents, however, said they had no desire to return to Korea.

Of the young people surveyed who had visited South Korea, more than 40 percent said they felt a sense of attachment to their ancestral homeland while visiting, while 30 percent said they had "mixed feelings" and 20 percent said they felt indifferent.

DSP Vows To Push for Permanent UNSC Seat

OW2803094494 Tokyo KYODO in English 0924 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—The Democratic Socialist Party (DSP), one of the seven ruling parties, Monday [28 March] pledged to work toward gaining for Japan a permanent seat on the U.N. Security Council (UNSC). In its political platform for fiscal 1994, the DSP declared it would push for permanent membership in the 15-member council as well as give its wholehearted support to U.N. operations, including peacekeeping activities.

The DSP also called for amendments in the Self-Defense Forces Law to institutionalize the SDF's contributions to U.N. peacekeeping operations as its main or sub-main task. The platform will be formalized at a party convention in April, party officials said.

More on Abolition of Special Refugee Treatment

OW2503134194 Tokyo KYODO in English 1314 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—A quarter of the 13,768 Indochinese "boat people" who reached Japan between 1975 and March this year are Vietnamese who settled permanently under a screening system abolished this month, the Justice Ministry said Friday [25 March]. Japan did away with its special treatment of Indochinese refugees on March 4 in line with an international agreement on the screening system.

Vietnamese boat people arriving in Japan in the future will receive the same treatment as any other arrival.

Of the 13,768 boat people who landed since May 1975, when Vietnamese refugees first arrived, 3,416 are Vietnamese who opted for permanent settlement, officials said. The ministry said that in the same period 3,498 Chinese nationals posing as Vietnamese refugees also arrived in Japan, although their numbers have fallen off in recent years.

Other Vietnamese have gone to third countries to settle and those posing as refugees have been forcibly repatriated.

A June 1989 international conference on Indochinese refugees adopted the set of special screening measures to determine whether they qualified for refugee status. But with subsequent changes in Vietnam, a conference in February elected to revise the measures, and Japan's cabinet gave its approval to abandon them as of March 4.

New Air Route From Hakodate to Sakhalin Agreed

OW2403032794 Tokyo KYODO in English 0305 GMT 24 Mar 94

[Text] Tokyo, March 24 KYODO—The first regular air service between the northern Japan port city of Hakodate and Yuzhno-Sakhalinsk, capital of Sakhalin in the Russian Far East, will start April 4, Transport Ministry officials said Thursday [24 March].

The date was set when the ministry gave the go-ahead Thursday for the Russian airline Aeroflot to operate two flights a week on the route on Mondays and Thursdays, they said. It will use a 32-seat plane.

Major Banks To Give Long-Term Loans to China

OW2703040194 Tokyo KYODO in English 0251 GMT 27 Mar 94

[Text] Tokyo, March 27 KYODO—Japan's major commercial banks will provide full-scale long-term loans for China in collaboration with international lending organizations to develop the country's infrastructures such as power stations and petrochemical facilities, the NIHON KEIZAI SHIMBUN said Sunday.

Local affiliates in Hong Kong of six major banks—Fuji Bank, Sanwa Bank, the Bank of Tokyo, Sumitomo Bank, Mitsui Trust and Banking Co., the Long-Term Credit Bank of Japan—will take part in April in a 380 million dollar joint financing led by the Asian Development Bank to the People's Bank of China as key members, the business daily said.

The six Japanese banks and other foreign commercial banks will provide a total of 78 million dollars in cofinancing with the 15- year loan. The loan will carry an interest rate of that of libor, or London interbank offered rate, plus 0.7 percent, the NIHON KEIZAI said.

The Bank of Tokyo has also decided to participate in 15-year joint loans totaling 470 million dollars initiated by the World Bank to the Chinese Government as a key managing bank, according to the paper.

PRC To Join Oil Project in Papua-New Guinea

OW2803123294 Tokyo KYODO in English 1155 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—China, facing rapidly growing domestic demand for crude oil, has joined a Japanese trading house in developing oil in Papua New Guinea, officials of the Japanese partner said Monday [29 March]. The officials of Marubeni Corp. said the project brings together the Japanese firm and two Chinese state-run enterprises, China National Petroleum and Natural Gas Corp. and China International Trust and Investment Corp.

Under the present plan, the three partners will engage in oil development in a concession to be acquired in the central part of Papua New Guinea to start commercial production within a few years, they said.

China became an oil-importing nation last year due to strong demand for crude oil resulting from high-paced economic growth.

The officials said full-scale production at the oil-rich Tarim Basin in northwestern China will not start in the current century.

In the oil development in Papua New Guinea, they said sharing of investment estimated at 100 billion yen will be decided later.

Most of the oil produced at the concession will be brought to China for domestic consumption but some of it will be sold overseas to earn foreign currency, they said.

Traders Arrested for Illegal Exports to PRC

OW2803062594 Tokyo KYODO in English 0534 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Police arrested two trading company executives Monday [28 March] on suspicion of illegally exporting restricted technology to China, Tokyo metropolitan police department officials said. Police arrested Norimichi Sugiyama, president of Traders Co. in Chiba Prefecture, and Katsuhisa Iida, president of Tokyo-based Hightech Co., on suspicion of violating the Foreign Exchange and Foreign Trade Control Law by exporting image intensifier tubes to Beijing.

The technology can be used for military satellites. Exports are restricted by the Coordinating Committee for Multilateral Export Controls (Cocom), a Cold War-era watchdog set up by the western allies to control exports of sensitive technology to the East bloc.

The Cocom controls are to be abolished at the end of March.

The case was uncovered during a police probe of Traders Co. and other trading houses which are suspected of being involved in similar exports to North Korea, police sources said.

Police also arrested three executives of Yokohama Machinery Trading Co., which was raided by police in January. The company was suspected of making high-tech exports to Pyongyang and selling used cars to North Korea.

Meanwhile, the Ministry of International Trade and Industry (MITI) reported the Chiba and Yokohama trading houses to police on charges of violating the Foreign Exchange and Foreign Trade Control Law.

Bangladesh Prime Minister Zia Arrives for Visit

OW2803075594 Tokyo KYODO in English 0738 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Bangladesh's Prime Minister Begum Khaleda Zia arrived in Tokyo on Monday [28 March] for an official visit which will include talks with Japanese Prime Minister Morihiro Hosokawa. Zia will hold talks with Hosokawa on Tuesday and attend Bangladesh investment seminars in Tokyo and Osaka before leaving Japan on Friday.

She plans to explain her government's foreign investment policy and seek to dispel the image of Bangladesh as a country always suffering from poverty and floods.

Japan is Bangladesh's top aid donor, providing 300 million dollars to 400 million dollars a year in financial and other forms of aid.

Hosokawa Addresses ARH Working Group Meeting

OW2803060494 Tokyo NHK General Television Network in Japanese 0309 GMT 28 Mar 94

[Announcer-read report over video; from the "NHK News" program]

[Text] Prime Minister Morihiro Hosokawa addressed today's inaugural meeting of the Administrative Reform Headquarter's [ARH] working group to promote imports and said Japan was expected to build an open economy and society. Among other things, the prime minister stressed the need for deregulation to close the commodity price gap between home and abroad.

With plans to finalize its voluntary market-opening package in late June, the government has now set up within the ARH a working group to promote imports, following the earlier establishment of a working group to study deregulation in the housing and land sectors.

At the working group's inaugural meeting held this morning, Prime Minister Hosokawa said no one needed to study everything that went on during the Japan-U.S. framework trade talks to realize Japan was expected to build an open economy and society. Promotion of this effort would lead to the correction of and reduction in the commodity price gap between home and abroad, he added.

A specialist from the private sector, who is also a member of the working group, suggested at today's meeting that to correct the price gap Japan should ease regulations which are tighter than in most other countries.

Urges Deregulation, Openness

OW2803061294 Tokyo KYODO in English 0520 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Prime Minister Morihiro Hosokawa on Monday [28 March] called for greater economic openness, noting that the Japan-U.S. economic framework talks are evidence of increasing calls for Japan to liberalize its market. Speaking at a working group meeting on steps to boost imports and improve market access, the third such meeting to be held under the administrative reform promotion headquarters led by the premier, Hosokawa said, "we need to establish an economically open society."

"Our efforts should contribute to shrinking the differences in prices in Japan and abroad," he added, calling for active discussion of ways to rectify price differentials.

Previous meetings focused on housing and real estate issues, and also conferred on information and telecommunications.

The Japanese Government is planning to draw up market-liberalizing measures based on the discussions of the three working groups by late June, ahead of July's Group of Seven (G-7) summit.

At the working group meeting, Foreign Minister Tsutomu Hata said "drastic measures, not abstract ones," should be implemented.

Experts from the private sector said that regulations should be revised to be more in line with international standards.

Bank Issues Monthly Overseas Economies Report

OW2503095694 Tokyo KYODO in English 0919 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Fears of inflation and economic overheating are pushing U.S. interest rates higher even as prices remain stable, the Bank of Japan (BOJ) said Friday [25 March].

Two recent tightenings by the Federal Reserve Board have pushed up short-term rates while worries of overheating boost longer-term rates and make Wall Street skittish, the central bank said in its monthly report on overseas economies.

Fears are emerging about whether the American economy will grow at a sustainable pace around 3 percent or whether a recent surge will reignite inflation, a BOJ economist told reporters.

In Europe, France is beginning to show clear progress in its stock adjustments, while Britain remains in a gentle recovery led by personal consumption, with employment conditions improving and industrial production on the rise, the report said. But growing German exports cannot overcome slumping domestic demand to put the country clearly on the path of recovery, despite production recovery in the former East Germany, it said.

Gross domestic product in Western Germany fell in the fourth quarter after two quarters of gains as worsening employment weighed on consumption and delayed stock adjustments depressed capital spending, the report said.

By contrast, it said that in China such investment in plant and equipment continues to fuel strong growth despite credit-tightening starting at the end of January to curb inflation.

South Korea's economy is improving as exports rise, while Southeast Asia continues to grow strongly with increasing infrastructure spending and growing trade within the countries of the region, according to the BOJ report.

Tokyo 'Action Plan' for Market Opening Viewed

OW2603065094 Tokyo KYODO in English 0644 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—The government will unveil an "action plan" next week to help foreign companies participate more fully in Japanese markets, government sources said Saturday [26 March]. The plan will include tax incentives, low-interest loans and support in establishing welfare facilities for foreign companies operating in Japan.

In order to encourage foreign companies to export more to Japan or to make more investment in the country, the plan will also call for enhancing information provided by Japanese organizations. For example, it will call on the Japan External Trade Organization (JETRO), which long pushed Japanese exports but has recently begun promoting imports, to send its experts on trade and investment to 12 cities overseas such as San Francisco and Milan.

The action plan will be unveiled as part of a new market-opening package the government is expected to announce Tuesday, the sources said. They said the government will review the action plan every year to show its trade partners its continued efforts on the matter.

The plan for fiscal 1994, starting from April 1, will be in line with the government's budget plan, they said.

Another feature of the action plan will allow foreign companies to carry over losses incurred within the initial three years of operation in Japan for a period of 10 years, rather than the current limit of carrying losses for seven years, they said.

The government will also ease within the year conditions for providing a government-guarantee of debt for foreign companies, so as to make it easier for them to raise capital, the sources said.

Rice Sold Under Government Control To Increase

OW2503122194 Tokyo KYODO in English 1157 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—The government plans to boost the volume of rice distributed through government-monitored channels by 89 percent, while increasing the total production of table rice by 38 percent in the year that starts in November, the Food Agency said Friday [25 March].

According to its basic plan for rice control, the agency will take various steps, including financial incentives, to encourage rice growers to sell rice through the government-controled channels instead of selling in the grey market outside the government channels, agency officials said. The plan was explained to an informal meeting of the Rice Price Council.

For the 1995 rice year that starts on November 1, the production of rice for table use will be increased 38 percent from the previous year to 10.58 million tons, partly by easing the policy of cutting back rice cultivation.

The government will try to increase the amount of rice distributed under its control by 89 percent to 7.38 million tons to secure stable supply.

The government will also import 379,000 tons of rice in 1995 to comply with the "minimum access" agreement on the partial opening of Japan's rice market reached in the Uruguay Round of global trade talks concluded last December under the auspices of the General Agreement on Tariffs and Trade.

For the 1994 rice year that runs through October 1994, the 1993 production of table rice was 7.66 million tons, of which 3.9 million tons have been or will be distributed through the government-approved channels, the agency said.

Japan will import a maximum of 2.48 million tons of rice this year to avoid a possible supply shortfall, according to the agency.

Rice to be imported by the government for table use this year is estimated at 1.75-2.15 million tons. In addition, the officials said, 330,000 tons of rice will be imported for processing.

EPA Chief Concerned About Rice Price Upsurge

OW2503023994 Tokyo KYODO in English 0215 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Japan's top economic planner on Friday [25 March] voiced strong concern over the recent sharp increases in rice prices. Rice prices began rising last year after a bad harvest and the trend is still going on, Manae Kubota, director general of the Economic Planning Agency (EPA), told a regular press conference.

The uptrend is "very serious," Kubota said.

She said the EPA will carefully monitor rice price trends and take adequate steps if necessary, while keeping in touch with the Agriculture, Forestry and Fisheries Ministry.

Kubota's comments came following a government report that consumer prices of rice in Tokyo rose 7.4 percent in March from a month earlier, the sharpest monthly growth in nearly 17 years. The price of rice in March soared 19.7 percent from a year earlier.

Appliance Discount Shop Asked Not To Sell Rice

OW2503122094 Tokyo KYODO in English 1159 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—The Food Agency has asked an electric appliance discount store operator to scrap its plan to sell rice, the company reported Friday [25 March].

Jonan Denki Co., which operates a discount store chain in the Tokyo area, said it plans to sell 29 tons of a popular domestic rice brand harvested in Akita Prefecture, starting on Sunday. The company said the agency asked it to call off the plan, warning that selling rice without a government license will constitute a violation of the Domestic Food Control Law.

Toshio Miyaji, president of the company, told reporters he has no intention of changing the plan at present.

People Said 'Lined Up' To Buy Domestic Rice

OW2703102594 Tokyo KYODO in English 0902 GMT 27 Mar 94

[Text] Tokyo, March 27 KYODO—More than 2,000 people lined up Sunday [27 March] to buy brand-name domestic rice at a Tokyo store that sold the rice without a license, and at a discount, in defiance of the Food Agency. Jonan Denki Co., a Tokyo-based electric appliance discount store chain, put some 12 tons of domestically grown rice on sale at its store in Nishi Eifuku and sold out all of it in three hours.

The Food Agency repeatedly warned the firm to call off the rice sale, saying that doing so without a government license is a violation of the Food Control Law.

A queue began forming Saturday midnight and more than 2,000 people lined up over a kilometer before the store opened at 10 A.M. While selling the rice despite the agency's warning, Toshio Miyaji, president of Jonan Denki, told customers through a loudspeaker, "we must break the bad law."

The customers, mostly housewives, were attracted to the rice because it was from Akita Prefecture, northern Japan, one of the nation's leading rice producing regions, and because it was sold at a discount price of 3,000 yen per five-kilogram package.

Jonan Denki limited purchases to one bag per customer.

The government has imported foreign rice to make up for shortages from last year's poor rice harvest, but since February, consumers have queued up at shops selling domestically grown rice, despite higher prices.

A senior Food Agency official said earlier the agency will take "proper action" if Jonan Denki failed to comply with its order not to sell the rice. But no agency officials showed up at the store Sunday to block the sales. The discount store said it procured 29 tons of rice from the village of Ogata in Akita Prefecture and plans to sell remaining rice at another store in Tokyo in the near future.

'Reluctance' To Take Legal Action

OW2803121494 Tokyo KYODO in English 1153 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—The Food Agency on Monday [29 March] showed reluctance to take legal action against a Tokyo-based electrical appliance discount chain store which on Sunday sold unblended brand-name domestic rice in defiance of its instruction to stop the sale. Agency officials did not disclose the reason for the apparent reluctance to file a criminal complaint with law enforcement authorities.

Jonan Denki Co. sold some 12 tons of domestic rice at one of its stores in Tokyo without a government license. The Food Agency had repeatedly warned the chain to call off the plan, saying that selling rice without a license is a violation of the Food Control Law.

Over 2,000 people rushed to buy the rice, which sold out within three hours.

The officials said Monday the sale was regrettable, but they did not say the agency would file a criminal accusation against the company. They said the agency will "persistently continue" to instruct Jonan Denki to stop such sales.

The discount store said it procured 29 tons of rice from the village of Ogata in Akita Prefecture. It plans to sell the remaining rice at another of its Tokyo stores next Sunday.

The government has imported foreign rice to make up for shortages from last year's poor rice harvest, but since February many consumers have queued at shops selling domestic rice.

Kono Urges Hosokawa To Resign Over Loan Affair

OW2603103494 Tokyo KYODO in English 1007 GMT 26 Mar 94

[Text] Kanazawa, March 26 KYODO—Yohei Kono, president of the leading opposition Liberal Democratic Party (LDP), urged Prime Minister Morihiro Hosokawa on Saturday [25 March] to resign over a questionable loan from a scandal-tainted trucking firm. Kono told reporters Hosokawa must take responsibility for the scandal, which has brought to a deadlock Diet deliberations on the 73.08 trillion yen state budget for fiscal 1994 which starts April 1.

The LDP has demanded that Hosokawa submit further detailed documents related to a 1982 loan of 100 million yen from Sagawa Kyubin Co., the country's leading parcel delivery firm, saying materials Hosokawa offered are insufficient to clear suspicions over the loan. The opposition has also demanded that Hosokawa's former secretary testify before the Diet on the loan issue.

The premier has said he borrowed the money to buy a condominium in Tokyo and repair his home in Kumamoto Prefecture, and he repaid the loan by January 31, 1991. He has reiterated there were no illegalities in the loan.

Hosokawa last December submitted a memo to the opposition in an attempt to clear his name.

The Sagawa Kyubin group was embroiled in a money scandal involving a number of leading political figures, including fallen LDP kingpin Shin Kanemaru, who was charged with tax evasion last March.

Tanabe Gives Opinion on Issue

OW2803093294 Tokyo KYODO in English 0857 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Prime Minister Morihiro Hosokawa may be forced to quit if the Diet remains deadlocked, according to a former chairman of the Social Democratic Party (SDP), the largest force in the seven-party ruling coalition.

"If the (opposition) Liberal Democratic Party (LDP) persistently refuses to open (Diet) deliberations, there would be only two options—whether only the ruling parties deliberate as an extraordinary measure or Hosokawa takes responsibility (for the delay)," Makoto Tanabe said in an address in Tokyo. The LDP has refused for more than two weeks to start deliberations on the fiscal 1994 budget, already two months behind schedule, until Hosokawa gives a full accounting of a 100 million yen loan he received from the scandal-ridden Sagawa Kyubin trucking business group.

In past Diet sessions, Hosokawa has repeatedly said he took the loan to help finance repairs on his residence in Kumamoto Prefecture and later repaid it to Sagawa Kyubin's network of trucking and parcel-delivery companies.

Tanabe also said Hosokawa should not dissolve the House of Representatives. He said he should not call an election under the current system.

The Diet recently passed a package on changing the election system, but the bills have not yet taken effect.

Hata, Mori on Issue of Hosokawa's Sagawa Loan

OW2803005594 Tokyo NHK General Television Network in Japanese 1007 GMT 27 Mar 94

[Announcer-read report over video; from the "NHK News 7" program]

[Text] Foreign Minister Tsutomu Hata, who heads Shinseito [Japan Renewal Party], held a news conference in Kumamoto Prefecture today and commented on the issue of Prime Minister Morihiro Hosokawa's receipt of a 100-million yen loan from the Tokyo Sagawa Kyubin trucking company. He stressed that with many difficult tasks piling up, it would not be advisable to dissolve the lower house. Hata added that as Prime Minister Hosokawa said he had submitted everything he could to the Diet, it was important to promptly convene a lower house Budget Committee meeting to settle the Sagawa loan issue. Hata then touched on the issue of dissolving the lower house and the ensuing general election, saying it was not the right time to become involved in dissolving the lower house and holding a general election because, with the adoption of a new electoral system, work had already started on designating new electoral districts and many difficult tasks still had to be faced.

Meanwhile, Yoshiro Mori, secretary general of the Liberal Democratic Party [LDP], also commented on the Hosokawa-Sagawa loan issue during an appearance on a commercial television program. He said that if the prime minister continued to refuse to submit additional material and rejected demands that his former secretary appear before the Diet for questioning, the cabinet had to take responsibility. He indicated that unless Hosokawa agreed to clear suspicions surrounding the loan, the LDP was prepared to force the cabinet to resign en masse or have the lower house dissolved.

LDP To Send Loan Investigators to Kumamoto

OW2603124594 Tokyo NHK General Television Network in Japanese 1000 GMT 25 Mar 94

[Announcer-read report over video; from the "NHK News 7" program]

[Text] The Liberal Democratic Party [LDP] held a meeting this afternoon of its special committee investigating Prime Minister Morihiro Hosokawa's 100 million-yen loan from the Sagawa Kyubin parcel delivery group. In the meeting, the committee decided to send its members to Kumamoto Prefecture next week to investigate whether any illegal transactions took place when the prefectural government authorized the construction of a major resort facility at the foot of Mt. Aso during Hosokawa's term as Kumamoto governor.

At today's meeting, the committee discussed ways to promote investigation from now on. Noting that Kumamoto prefectural government changed its regulations when it authorized the construction of a resort facility near Mt. Aso during Hosokawa's term as governor, the members agreed that this move was unusual and should be investigated.

The committee decided to send four members, including Committee Chairman Matsunaga, who is former international trade and industry minister, to Kumamoto on 31 March. The four will interview prefectural officials about details of the regulation changes and visit the resort facility in question.

Prosecution Officials Hold Meeting on Scandals

OW2703110794 Tokyo KYODO in English 1024 GMT 27 Mar 94

[Text] Tokyo, March 27 KYODO—Prosecutors plan to wind up their investigation of a series of bribery scandals involving major contractors with an indictment of former Construction Minister Kishiro Nakmura, prosecution sources said Sunday [27 March]. Top prosecution officials will hold a meeting Monday to approve the plan, the sources said.

The Tokyo District Prosecutors Office will then indict Nakamura on Tuesday on charges he received a 10 million yen bribe from giant contractor Kajima Corp. in January 1992, the sources said.

The former construction minister has reportedly remained silent during questioning by prosecutors since he was arrested March 11. The money Nakamura allegedly accepted was apparently intended as a reward for using his influence as a Diet member to help stop the Fair Trade Commission (FTC) from filing an accusation against a cartel of 66 contractors, including Kajima, over bid-rigging in Saitama Prefecture.

At the time, Nakamura was the deputy chief of the special committee on Antimonopoly Laws of then governing Liberal Democratic Party (LDP). He left the party after his arrest.

Since last June, two prefectural governors, two mayors and more than 20 executives of eight leading contractors and a paper manufacturer have been indicted in connection with the influence-peddling scandals on public works projects.

The contractor scandals came to the surface after the arrest of retired LDP powerbroker Shin Kanemaru in March 1993. Kanemaru is standing trial on charges of evading roughly 1 billion yen in tax on some 1.8 billion yen in undeclared income, chiefly provided by contractors.

Prosecutors have apparently given up filing a criminal charge against scandals involving Seiroku Kajiyama, a powerful LDP Diet member, and former Posts Minister Hideo Watanabe for want of evidence.

A suspicion had emerged that Mitsui Construction Co. gave 10 million yen to the Kajiyama camp in 1991 to gain his influence in winning a public works project contract. However, a Mitsui executive, who should have delivered the money, has testified he pocketed it himself, the sources said.

Kajiyama, former justice minister and former LDP secretary general, denied the allegation and sued the ASAHI SHIMBUN, which reported he received the money.

Prosecutors have confirmed Watanabe received 40 million yen from Kajima from 1988 to 1991 in connection with a hotel development project in central Tokyo, the sources said. But they failed to discover any specific request Kajima made to Watanabe, they said.

Hosokawa's Bid To Unite Ruling Parties Gaining

OW2503133294 Tokyo KYODO in English 1301 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Prime Minister Morihiro Hosokawa's bid to establish a joint parliamentary group among the seven coalition parties is rapidly picking up momentum, coalition sources said Friday [25 March]. Two interparty policy forums on foreign affairs and education will soon be set up, a move aimed at accelerating Hosokawa's attempt to establish a policy study group, believed to be a preliminary step before forming a seven-party joint parliamentary group, the sources said.

Three key coalition figures—Hosokawa, Shinseito [Japan Renewal Party] Secretary General Ichiro Ozawa and Komeito Secretary General Yuichi Ichikawa—held talks on March 13 and agreed to launch the study group with a view to the forming of a new party, the sources said.

They are eyeing setting up as early as April a seven-party study group which could ultimately develop into a new party after absorbing the two forums and establishing a parliamentary group, they said.

The seven coalition components remain divided over how to fight off the leading opposition Liberal Democratic Party (LDP) in the next general election for the House of Representatives. The LDP, which was ousted from power last August, still retains the largest number of seats in the Diet of any single party.

The next general election is expected to be held under a new electoral system mixing single-seat constituencies and proportional representation.

Shinseito (Japan Renewal Party) and Komeito, both core coalition parties, are advocating the necessity of uniting the seven coalition parties to defeat the LDP.

The Social Democratic Party (SDP), which is the largest member of the coalition bloc, the new party Sakigake [Harbinger] and the Democratic Socialist Party (DSP) are in favor of a multi-party system. The SDP and Sakigake are opposed to Hosokawa's plan to establish a joint parliamentary group among the seven coalition parties.

Hosokawa, head of the Japan New Party (JNP) which is closely tied with Sakigake, has recently tilted heavily in favor of the Shinseito-Komeito line, coalition sources said.

Earlier this month, Hosokawa said the coalition would be at a disadvantage in the next general election unless it overcame internal rivalry and agreed to back a joint candidate in each of the 300 single-seat districts.

Hosokawa is expected to dissolve the next House of Representatives for a snap general election some time before the four-year term of the incumbent lower house expires in July 1997.

Komeito Stresses Policy Accord Among Parties

OW2503123594 Tokyo KYODO in English 1057 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Common policies will be a major precondition for parties to promote electoral cooperation and aim at victory in the next general election for the House of Representatives, a key figure in the ruling coalition said Friday [25 March].

Yuichi Ichikawa, secretary general of Komeito, one of the seven coalition parties, told a press conference that common defense and energy policies are particularly important.

Ichikawa's remark alluded to policy differences between the Buddhist-backed Komeito and the largest party in the coalition, the Social Democratic Party (SDP), which has long been opposed to the Self-Defense Forces [SDF] and nuclear power plants.

Ichikawa, who along with Shinseito [Japan Renewal Party] Secretary General Ichiro Ozawa, is viewed as a key coalition strategist, urged the SDP to break away from its longstanding basic stance that the SDF is unconstitutional and that Japan should promote development of safer energy sources as a substitute for nuclear power stations.

Coalition Candidate Wins in Ishikawa Election

OW2703141894 Tokyo KYODO in English 1408 GMT 27 Mar 94

[Text] Kanazawa, March 27 KYODO—A candidate jointly backed by the ruling coalition narrowly won the gubernatorial election in Ishikawa Prefecture, central Japan, on Sunday [27 March], defeating a candidate supported by the opposition Liberal Democratic Party (LDP).

The election was a crucial test for Prime Minister Morihiro Hosokawa because it was the first gubernatorial election fought between the seven ruling coalition parties and the LDP since the Hosokawa government took office last August, throwing the LDP into opposition after 38 years of unbroken rule.

Former Vice Gov. Masanori Tanimoto, 48, was backed by the Social Democratic Party (SDP), Komeito, Shinseito [Japan Renewal Party], the Japan New Party (JNP), the Democratic Socialist Party (DSP), new party Sakigake [Harbinger] and the United Social Democratic Party. Tanimoto defeated LDP-backed Hiroshi Ishikawa, 51, a former House of Councillors member, and Japanese Communist Party-backed Takashi Shimizu, 51, a doctor.

The election was held to fill the post vacated following the death of Yoichi Nakanishi.

Tanimoto garnered 283,992 votes while Ishikawa had 275,854 votes and Shimizu 47,624 votes as of 10:50 P.M. with 98 percent of the votes counted, Election Administration Committee officials said. The officials said 70.9 percent of some 887,000 eligible voters turned out.

During the election campaign, Hosokawa and LDP President Yohei Kono both visited the prefecture to canvas for votes.

The election was regarded as a prelude to a House of Councillors election next year, and the next general election, as well as a litmus test of election cooperation among coalition parties in a single-seat electoral district.

The Diet has enacted a package of political reform bills to replace the current multiseat constituency system for the lower house with the combination of single-seat district and proportional representation.

The implication of the election result is expected to give an impetus to a coalition move to create a new party to fight jointly against the LDP in other elections, political analysts said. Shinseito and Komeito have advocated merging coalition partners into a single party, while the SDP, Sakigake and the DSP call for a "moderate multiparty system."

The governor's race was also seen as a proxy war between Keiwa Okuda, chairman of the lower house steering committee and a key member of Shinseito and LDP Secretary General Yoshiro Mori. Both Okuda and Mori have been elected from the No. 1 constituency in the prefecture.

Kono Criticizes Hosokawa for Policy Failures

OW2803060694 Tokyo KYODO in English 0517 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Liberal Democratic Party (LDP) President Yohei Kono on Monday [28 March] slammed the government of Prime Minister Morihiro Hosokawa for its perceived failure to tackle a number of pressing political tasks. Speaking at a lecture, Kono pointedly criticized Hosokawa's abortive tax hike plan that would have replaced the current 3 percent consumption tax.

Stating that the Hosokawa administration has raised doubts about its political capability since its formation last summer, the LDP chief also said the government should be blamed for the long delay in the Diet debate on the fiscal 1994 state budget. The delay is due largely to the government's decision to postpone customary year-end budget formulation until early this year, Kono said.

Kono also demanded that Hosokawa come clean on a questionable loan he allegedly received from a scandal-tainted trucking firm.

Kono is the first LDP president who has failed to become prime minister in nearly four decades. Under the LDP rule that ended last August, the post of party chief automatically carried the premiership because of the party's majority strength in parliament.

Hashimoto Predicts Lower House Dissolution

OW2503045194 Tokyo KYODO in English 0424 GMT 25 Mar 94

[Text] Kanazawa, March 25 KYODO—Former Finance Minister Ryutaro Hashimoto predicted Friday [25 March] that a row over Prime Minister Morihiro Hosokawa's alleged role in a money scandal will lead to dissolution of the House of Representatives and a general election. Hashimoto, chairman of the Policy Affairs Research Council of the opposition Liberal Democratic Party (LDP), said the row over the alleged scandal is threatening the passage of the fiscal 1994 budget program.

Diet business has been stalled, leaving the 73.08 trillion bugdet in limbo, by the LDP's demands that Hosokawa release more data about a loan he says he received from Sagawa Kyubin Co. in 1982. The LDP says it will continue to refuse to open budget deliberations until Hosokawa meets its request.

Panel Urges Banks To Improve Disclosure System

OW2503103194 Tokyo KYODO in English 0937 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Japanese banks will beef up their risk and subsidiary disclosure system from the coming March book closing in line with proposals made Friday [25 March] by a Finance Ministry panel. The proposals were made in an interim report compiled by a disclosure study group under the Financial System Research Council, an advisory panel to the finance minister.

The report calls on financial institutions to improve their disclosure periodicals, featuring recommendations to start disclosing operational results at securities and trust banking subsidiaries and to upgrade explanations of risk managements.

A Finance Ministry official, briefing reporters, said the Federation of Bankers Associations of Japan is to revise its disclosure standard based on the report for its members that virtually covers all private banks in Japan.

It will start with their business results for the current fiscal year ending March 31, the official said.

Under the banking law, private banks are required to publish the disclosure periodicals every year, and they follow the standard decided by the federation.

While urging further improvements in disclosing information on subsidiaries on a consolidated basis by parent banks, the report stresses the need for securities and trust banking subsidiaries to offer their own operational results.

"The significance of disclosure (at such subsidiaries) is great because of their importance in management strategy (of parent banks) and their large scale (compared with other subsidiaries) and operational divergence with the parent financial institutions," the report says.

Banks were allowed to enter securities and trust banking businesses through subsidiaries in April last year under financial system reform.

The Finance Ministry official said disclosure at those subsidiaries will include earnings and assets. But the recommendations are limited to domestic subsidiaries, and the report leaves disclosure of overseas subsidiaries for further study due to "diverse business fields and scale."

On risk management, financial institutions are urged to make "easy-to-understand explanations" of their strategies and systems on interest rate, credit and other risks, thus upgrading from the current disclosure limited to their awareness of risks and management of assets and liabilities.

But the report calls for further study on implementation of a numerical measurement of risks while closely following the effects of "explanatory disclosure" and the ongoing international discussions on such risk-management benchmarks.

The ministry official said the panel will set up a working group on the issue.

Meanwhile, the report urges banks to make the disclosure periodicals more "convenient and easy to understand" since they are offered primarily to depositors at branch offices.

Takeshima Discusses Government 'Hidden Debt'

OW2503060894 Tokyo KYODO in English 0555 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Japan's "hidden debt"—borrowings not included in budgets as the nation's official debt—will amount to 38.7 trillion yen by the end of fiscal 1994, a Finance Ministry official said Friday [25 March].

The latent debt must somehow be funded in the future, said Kazuhiko Takeshima, deputy director general of the ministry's budget bureau. Fiscal 1994 ends in March 1995. He was replying to questions in the Finance Committee of the Diet's House of Representatives.

The debt includes 26 trillion yen in borrowings from Japanese National Railways Settlement Corp., and unspecified sums from local governments and from government-sponsored medical insurance programs, Takeshima said. Such debt results mainly from deferred regular fund allocations in budgets, and the ministry has been using this technical accounting method in budgets over the past years to avoid issuing deficit-covering bonds amid tough revenue conditions.

In the fiscal 1994 budget package, now awaiting Diet deliberations, the ministry is to issue some 3 trillion yen worth of deficit-covering bonds to finance planned tax cuts, but is also using the method to avoid excessive bond issuances.

Meanwhile, the outstanding balance of official national long-term debt is estimated to reach 261.8 trillion yen at the end of the new fiscal year, Takeshima said. He said 201 trillion yen is from issuances of government bonds, and the rest is borrowings mainly from the special budgetary account on postal savings.

He said the balance of local government bonds is expected to reach 77 trillion yen.

Recession 'Discouraged' Building of New Plants

OW2803124794 Tokyo KYODO in English 1043 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Japan's prolonged recession apparently discouraged manufacturers from building new production facilities in 1993, with construction of new factories decreasing for the fourth straight year, a government report said Monday [29 March].

The Ministry of International Trade and Industry said corporate acquisitions of land for new factories in 1993 decreased 33.8 percent from the year before to 1,634 cases, the lowest since 1979.

The total tract of land acquired for new plants also dropped 28.7 percent to 2,290 hectares, the ministry said.

The ministry said the report was based on a survey of corporate purchases of land for new factories, covering 1,000 square meters or more.

Citing another survey conducted last fall on capital investment plans, the ministry predicted the sluggish trend will continue in 1994.

The ministry said land acquisitions decreased in most regions covered in the survey.

Household Spending Reportedly Grows in Jan

OW2803064494 Tokyo KYODO in English 0607 GMT 28 Mar 94

[Text] Tokyo, March 28 KYODO—Japan's household spending in January stood at 328,431 yen, an inflation-adjusted increase of 2.7 percent from a year earlier, posting the fourth straight year-on-year rise, the government reported Monday [28 March]. In nominal terms, the yearly growth rate stood at 3.8 percent, the Management and Coordination Agency said.

The agency said spending by salaried workers' households grew a net 0.6 percent for the first upturn in nine months. Spending by households of nonwage earners such as the self-employed surged 6.0 percent in real terms, the agency said.

Overall, household expenditures on education and housing climbed 16.9 percent and 14.2 percent, respectively, over a year earlier while those on transportation and communication, furniture and household goods, and utility rates gained 7.7 percent, 5.8 percent and 5.3 percent, the agency said.

Spending on medical care declined a net 3.0 percent, the agency said.

It said expenditures on food accounted for 72,458 yen, up 1.6 percent in nominal terms but down 0.5 percent in real terms.

BOJ, Stock Exchange To Have New Leaders

OW2603121194 Tokyo KYODO in English 1128 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—Sakura Bank Chairman Yasuo Matsushita is tipped as the most probable candidate to succeed Yasushi Mieno as the governor of the Bank of Japan (BOJ), informed sources said Saturday [25 March]. Mieno's four-year term as governor of the central bank is due to expire December 16.

Matsushita, 68, joined the Finance Ministry in 1950 after graduating from the University of Tokyo. He served as vice finance minister, the ministry's highest post for bureaucrats, for two years from June 1982.

Matsushita became president of Taiyo Kobe Bank after leaving the ministry and has been serving as chairman of Sakura Bank since April 1990, when the bank was set up through a merger of Taiyo Kobe Bank and Mitsui Bank.

The sources, however, added some senior officials of the BOJ and the Finance Ministry have strongly recommended Yoshihiko Yoshino, 63, president of the Japan Development Bank, as Mieno's successor. Yoshino was also the former vice finance minister from 1986 to 1988.

Former vice finance ministers and career BOJ officials have taken turns serving as BOJ governor for the past five terms. Mieno, who entered the central bank in 1947, assumed the BOJ's highest post in 1989 after serving as vice governor.

The sources also said the Tokyo Stock Exchange (TSE) is likely to name Mitsuhide Yamaguchi, currently president of the Export-Import Bank of Japan, as its next president. They said the TSE's current president Minoru Nagaoka, who will complete his second three-year term in May, will discuss the appointment with the Finance Ministry and leaders of the securities industry early next week.

After approval by TSE member companies, Yamaguchi's appointment will be formally decided at the stock exchange's general meeting May 25, they said. Yamaguchi, 66, started his career in 1951 at the Finance Ministry and served in such positions as director general of the budget bureau before becoming vice finance minister in 1984.

If Yamaguchi accepts the offer at the TSE, he will be the fifth former vice finance minister in a row to serve as its president.

After resigning from the ministry in 1989, he served as the head of the Overseas Economic Cooperation Fund before moving on to the Ex-Im Bank as president in May 1990.

Private Railway Unions Call Off 24-Hour Strike

OW2403223294 Tokyo KYODO in English 2224 GMT 24 Mar 94

[Text] Tokyo, March 25 KYODO—Friday's [25 March] planned 24-hour strike was called off shortly after midnight Thursday when major private railway unions reached agreement with management on an average 3.94 percent wage hike. The unions agreed to accept a benchmark monthly wage increase of 11,400 yen, or 3.94 percent, calling off a planned daylong strike as part of Japan's "spring labor offensive."

Union representatives issued an order to cancel the threatened strike at 1 A.M. Friday.

The package also includes an annual bonus of 5.4 months worth of salaries.

Because of the midnight accord, 12 railway companies operated their train runs without any interruption Friday morning and bus services by nine private companies began from the start of the day on schedule.

Parties to the agreement include railway companies Tobu, Tokyu, and Keisei, Teito Rapid Transit Authority, Keio Teito, and Sagami railway in the Kanto region centered on Tokyo.

Among other railway firms covered by the agreement are Nagoya railroad in the Chubu region centered on Nagoya, the Hankyu, Hanshin, Keihan, and Nankai railway lines in the Kansai region centered on Osaka and Kyoto, and the Nishi Nippon Railroad in Kyushu.

The Transport Ministry had predicted that over 22 million people would be affected in Tokyo and other major Japanese cities if the strike took place.

Ministry To Promote Telecommunications in Cities

OW2603110694 Tokyo KYODO in English 1029 GMT 26 Mar 94

[Text] Tokyo, March 26 KYODO—A ministry study panel will call for improving the telecommunications network systems of 288 local prefectures, cities and villages, ministry officials said Saturday [25 March].

The study body, attached to the Ministry of Posts and Telecommunications, will file an interim report later this month calling for a redesign of the local networks under the "Neo Teletopia Project."

Under an upgraded version of the 1983 "Teletopia Project," all local areas will eventually be integrated into a nationwide network.

The Telecommunications Council, an advisory panel to the posts minister, has discussed the development of an optical fiber information network, officials said.

The Neo Teletopia Project is preparing for Japan's next-generation telecommunications network in the age of multimedia, which will require vast data-processing resources.

Under the current Teletopia Project, local governments receive financial aid to improve their telecommunications systems if deemed necessary. So far, Okinawa Prefecture and 287 cities, villages, wards and towns have received such support from the central government.

Substance for Smaller Electronic Devices Noted

OW2803063894 Tokyo KYODO in English 0604 GMT 28 Mar 94

[Text] Osaka, March 28 KYODO—A new substance that could help make everyday electronic devices smaller has been developed by researchers at Osaka University.

Tomoji Kawai, a professor at the university's Institute of Scientific and Industrial Research, said Monday that the ferroelectric substance is an artificial crystal superlattice membrane. The substance can be used in appliances in which an electrical impulse from an integrated circuit is changed into sound or vibrations.

Kawai said the findings will be presented at a three-day annual meeting of the Chemical Society of Japan in Tokyo beginning Monday.

The new substance, which retains its ability to conduct electricity at high temperatures, is made by condensing vaporized barium titanate and strontium titanate subjected to laser beams.

It consists of alternate layers of barium titanate and strontium titanate molecules with a thickness of 0.2 micron. One micron is a millionth of a meter.

Crystalline substances which are ferroelectric have commercial applications because of their capacity for spontaneous electric polarization reversible by an electric field.

Since the lengths of the crystalline molecules of the two substances differ only slightly, when they are interfaced in the layers they generate an extremely powerful lateral strain.

Under this strain, the barium titanate crystals are stretched vertically, making it easy for the atoms to move in a vertical axis and increasing the substance's ferroelectric properties. Kawai and his team describe the new "strained superlattices" as having "superdielectric" properties.

North Korea

IAEA Warned To Drop 'Unfair' Resolution

SK2703085194 Pyongyang KCNA in English 0837 GMT 27 Mar 94

["Partiality Not Yet Removed"—KCNA headline]

[Text] Pyongyang, March 27 (KCNA)—If the Secretariat of the International Atomic Energy Agency (IAEA) fails to take a measure to revoke its unwarrantable "resolution", we will have no other choice but to adopt a practical step corresponding to the extension of its partiality, says MINJU CHOSON in a commentary today. Recalling that at a time when the situation on the Korean peninsula was being aggravated by the anti-DPRK moves of the United States, the agency Secretariat adopted at a recent meeting of its board of governors an unfair "resolution" urging the DPRK to "promptly allow" all inspection activities of the agency equivalent to the full implementation of the safeguards agreement, which went beyond the inspection for the continuity of the safeguards, and submitted it to the United Nations Security Council, the news analyst of the paper says:

The adoption of such a "resolution" is an improper act blatantly twisting the fact and another pressure kickup to attain a sinister purpose.

The agency Secretariat must know that the DPRK is in a unique position after the temporary suspension of the effectuation of its withdrawal from the nuclear Nonproliferation Treaty.

When it adopted another unreasonable "resolution" against the DPRK at the meeting of its board of governors on the basis of an unrealistic, wrong conclusion, the agency Secretariat revealed once again to the world that it had cast away the principle of independence and impartiality.

The United States and the agency Secretariat following it will have to bear full responsibility for all the consequences arising therefrom.

Spokesmen's Statements Entered in UNSC Record

Atomic Agency Chief's Statement

OW2803072694 Pyongyang KCNA in English 0514 GMT 28 Mar 94

[Text] Pyongyang, March 28 (KCNA)—The statement released by a spokesman of the General Department of Atomic Energy (GDAE) of the Democratic People's Republic of Korea on March 18 with regard to the wrong assessment of the results of an inspection of the DPRK's nuclear facilities by the secretariat of the International Atomic Energy Agency was distributed as official document S/1994/319 of the United Nations Security Council on March 21.

Foreign Ministry Spokesman

OW2803053694 Pyongyang KCNA in English 0515 GMT 28 Mar 94

[Text] Pyongyang, March 28 (KCNA)—The March 21 statement of a spokesman for the Foreign Ministry of the Democratic People's Republic of Korea denouncing the United States for its perfidious act in totally reversing the February 25 agreed conclusions reached at the DPRK-U.S. contact in New York was distributed on March 22 as an official document S/1994/327 of the United Nations Security Council.

Radio Details U.S. Preparations for 'New War'

SK2603133794 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 26 Mar 94

[Commentary by Kim Ho-san: "The Method of Strength Does Not Work on Us"]

[Text] The Korean peninsula is in a grave situation due to U.S. imperialists' aggravating provocative maneuvers for a new war. Following U.S. President Clinton's order given on 22 March to deploy Patriot missiles to South Korea and the announcement that more than 40 missile launchers and an 800-member Patriot battalion will be moved to South Korea, war conspiracies are being plotted in the U.S. Defense Department everyday, and corresponding actual fighting measures are being taken.

According to reports from Washington, U.S. Defense Secretary Perry raved on 24 March that if the UN Security Council decides to impose sanctions against our country, the United States will send additional troops and weapons to South Korea.

Concurrently, the 25 March issue of the South Korean paper CHOSON ILBO quoted U.S. military sources as saying that a plan was being worked out by the U.S. military to hurl 600,000-strong military strength including two Marine divisions, more than 200 warships, over 1,600 planes from the U.S. mainland within 80 days, repeat 80 days, in case of emergency on the Korean peninsula.

Meanwhile, U.S. Deputy Undersecretary of Defense Slocombe said on 24 March at a hearing at the defense committee of the U.S. Congress that U.S. carrier task fleets are in full readiness for mobilization to cope with a possible contingency on the Korean peninsula and the mobilization system of the U.S. imperialist aggression forces in South Korea was under reexamination. He raved that apart from the U.S. imperialist aggression forces in South Korea, 22,000 U.S. Marine forces, an

Army special unit, and 50 each of the F-15C interceptor planes and F-16 multipurpose fighters from the island of Okinawa in Japan, and U.S. carrier military strength from Yokosuka port can be mobilized additionally.

Facts show that the U.S. military is in a posture to take military actions as soon as the UN Security Council takes sanction measures. Due to the U.S. war maniacs, darker clouds of war are approaching the Korean peninsula, and a dangerous situation on the brink of war is being created.

This was the first time since the Korean War in 1950 that it was reported the U.S. Marine forces, planes, and various warships could be swept in herd to the Korean peninsula like a pack of wolves.

The reason the world is watching the Korean peninsula with grave concern is because it is considered that a new nuclear war might erupt right here.

Currently, the United States is devising a sinister plot to commit to the Korean war not only its elite force from its mainland, but also the U.S. imperialist aggressive forces occupying South Korea that are familiar with our country's topography and most of the U.S. armed forces stationed in Okinawa, Japan. Moreover, the heads of the U.S. military are dispatching in advance its aircraft carriers and submarines to places that will be favorable in their operations.

The U.S. Naval fleet consisted of 30 ships, and the nuclear-powered aircraft carrier Carl Vinson have not only been already mobilized near the waters of our country, but on 24 March the U.S. Navy nuclear-powered submarine, Birmingham entered Yokosuka port.

On the surface, the United States is finding fault with us by saying that it is dissatisfied with the nuclear inspection on us and so on, but this is only an excuse. In reality, the series of military moves prove that the United States is expanding step by step its oppressive strategy on Korea in accordance with the war scenario it already wrote.

Moreover, what cannot be overlooked is the fact that reports are being made that U.S. Defense Secretary Perry will crawl into South Korea and Japan to personally examine and command on-the-spot the conditions for promoting military operations. Historically, this kind of act is carried out frequently on the eve of war. Such was the case during the 1950 Korean war and during the 1990 Persian Gulf war.

We are dealing with high vigilance over the fact that the U.S. defense secretary is personally acting as the leader in preparing to invade us. Currently the United States formed a special strike force to revive the adventurous military operation, which was carried out in Grenada and Panama, against our republic.

However, the United States can by no means frighten our people through this kind of barbarous operation and achieve its goal. As we have repeatedly elucidated, we don't want war, but we are by no means afraid of war. We are ready for both dialogue and war.

The attempt to swallow us up is a foolish act of trying to break a boulder deeply rooted in the center of the earth, with a rotten egg. No one can touch our sacred territory and defame our nation's dignity.

Those who enjoy fire die by being burnt without exception. The United States must not carry out rash and thoughtless acts. It will be favorable for the United States to correctly see who it is dealing with and act rationally.

U.S. Plans To Beef Up Military Presence Denounced

SK2603042994 Pyongyang KCNA in English 0412 GMT 26 Mar 94

["Foolish Act To Frighten DPRK With Strength"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—U.S. Defence Secretary Perry declared on March 24 that if the United Nations Security Council decided to take "sanctions" against North Korea, the United States would send additional troops and weapons to South Korea, according to a report from Washington.

The South Korean paper CHOSUN ILBO March 25 quoted "U.S. military sources" as saying that a plan was being worked out by the U.S. military to hurl 600,000-strong military strength including two marine divisions, more than 200 warships, over 1,600 planes, etc. to the Korean peninsula from the U.S. mainland within 80 days in "case of emergency."

Meanwhile, U.S. Deputy Undersecretary of Defence Slocombe said on March 24 that a U.S. carrier task fleet was in "full readiness for action" to cope with "a possible contingency" on the Korean peninsula and the mobilization system of the U.S. imperialist aggression forces in South Korea was under reexamination.

Facts show that the U.S. warmaniacs are rendering the situation of the Korean peninsula extremely strained. But their attempt to frighten the Democratic People's Republic of Korea with strength is really a foolish act.

Our people and People's Army want peace but are never afraid of war.

The U.S. imperialists would be well advised to act with discretion and stop running riot with proper knowledge of Korea.

Our people and People's Army, who are united closely around the party and the leader, are keenly watching the military moves of the U.S. imperialists.

Perry's Remarks Reveal 'Dangerous Scheme'

SK2703083094 Pyongyang KCNA in English 0821 GMT 27 Mar 94

["Aggressive Outburt of Warmaniac"—KCNA headline]

[Text] Pyongyang, March 27 (KCNA)—The U.S. Defence Secretary, William Perry, at a press conference on March 25 announced a series of reckless operational plans for the dispatch of additional U.S. military strength and equipment to South Korea, reinforcement of the combat capacity of the U.S. imperialist aggression forces occupying South Korea and acceleration of the "modernisation" of the South Korean puppet army, crying for "elaborate measures" to counter accidental developments" on the Korean peninsula, according to a report.

Perry's remarks fully revealed the dangerous scheme of the U.S. imperialists to unhesitatingly lead the situation on the Korean peninsula to a catastrophic war phase.

It is the U.S. imperialist war hawks who are creating the danger of "accidental developments" on the Korean peninsula and it is again them who are driving the situation to the brink of war.

Now task forces of the U.S. Navy including an aircraft carrier are moving towards the waters close to Korea, Patriot missile units are heading for South Korea and large aggression forces are ready for departure in the U.S. mainland and surroundings of the Korean peninsula.

According to foreign press reports, Perry will fly to South Korea and Japan in a short time to examine and adjust on the spot the preparations of military operations designed to provoke a new war which the U.S. imperialists are now promoting feverishly.

This predicts that the U.S. imperialists will lead the situation on the Korean peninsula to a more grim phase by their military frenzy.

If the U.S. imperialits think they can frighten us with military threat, it is, indeed, a foolish dream.

They must stop running rashly, clearly knowing that the option of confrontation and war will precipitate their own doom.

SRV Official: U.S. 'Triggered Tension'

SK2603052994 Pyongyang KCNA in English 0408 GMT 26 Mar 94

[Text] Pyongyang, March 26 (KCNA)—Vietnam and Malaysia on March 24 conferred on mounting tension in the Korean peninsula and called on the international community to help avert any possible outbreak of war, according to a foreign press report from Kuala Lumpur.

The two countries shared this view during talks between Malaysian Prime Minister Mahathir Mohamed and General Secretary of the C.C. [Central Committee], the Communist Party of Vietnam Do Muoi, an aide to Do Muoi said.

The aide said that the U.S. military reinforcement in South Korea was "unwarranted and an act of provocation against the North", adding: "This spectacular military display by Washington against Pyongyang must be taken seriously."

The aide contended that Washington had triggered tensions in the Korean peninsula in the hope of diverting world attention away from growing U.S. domestic problems, President Bill Clinton's fate in the "Whitewater scandal" and other issues.

Litany of Defeats for U.S. 'Aggressors' Listed

SK2603104194 Pyongyang KCNA in English 1013 GMT 26 Mar 94

["Lesson for Provokers"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—The U.S. imperialists have committed one provocation after another against the Korean people through history. Each time, however, they suffered a stern punishment.

They, failing to draw a lesson from the sinking of their pirate ship "General Sherman" in the river Taedong in 1866, started a surprise attack on the Democratic People's Republic of Korea on June 25, 1950 after watching for a chance.

In an attempt to gratify their sinister ambition for aggression at any cost, they hurled into the Korean war one third of their Army armed with latest-type equipment, one fifth of their Air Force, the bulk of the Pacific Fleet, soldiers of their 15 satellite states and the South Korean puppet army, more than two million strong, huge combat technical equipment and 73 million tons of war supplies. The aggressors, however, met head-on hammer blows of the Korean people.

In the Korean war they lost 1,567,000 effectives including 405,000 GIs, 12,200 planes, 3,250 tanks and armoured vehicles, 560 warships and many other combat technical equipment.

On July 27, 1953, the U.S. imperialist aggressors signed the armistice agreement before the flag of the DPRK, surrendering to the Korean people. This was their first ignominious defeat in their 100-year-long history of wars of aggression.

The case of the spy ship "Pueblo" in January, 1968, was another provocation committed by the U.S. imperialists, forgetting the lesson of their defeat.

When the armed spy ship was apprehended by the DPRK after intruding into its territorial waters to infringe upon its sovereignty, they drove the situation to the brink of war, threatening that they would "bombard" and "blockade" ports of the DPRK as "retaliatory steps." At that moment, all the Korean people and People's Army manifested their unswerving will to answer a "retaliation" with a retaliation, a "total war" with a total war.

To meet the U.S. imperialist aggressors, the People's Army soldiers took their positions and the entire working people wrought miracles in production and construction with a rifle in one hand and a sickle or a hammer in the other, demonstrating the mettle of the Korean people.

The U.S. imperialists who were threatening an immediate war succumbed to the Korean people, who rose up like a mountain. On December 23, they came out with a white flag to the conference room in Panmunjom where they had signed the armistice agreement, admitted their criminal act concerning the ship "Pueblo" case and apologized to the Korean people for it and signed the surrender document promising not to commit such provocation again. They, however, infiltrated an EC-121 large reconnaissance plane into the air space of the DPRK on April 15, 1969 only to suffer a serious defeat under the eyes of the world.

The Korean people are an indomitable people who have never pardoned the provokers.

The provokers must draw a lesson from their defeat.

U.S. Warned To Recall 'First Defeat' in Korea

SK2603110194 Pyongyang KCNA in English 1036 GMT 26 Mar 94

[Text] Havana, March 24 (KCNA)—The decision of the U.S. imperialists and the Kim Yong-sam puppet clique to deploy Patriot missiles in South Korea and resume the Team Spirit nuclear war game is an open challenge to the 70 million Koreans desirous of a peaceful reunification of the country, said Kim Chang-su, deputy head of the mission of the South Korean National Democratic Front [SKNDF] in Cuba, in a press interview today.

He denounced the U.S. imperialists for making a fuss over the fictitious "nuclear issue" of the North.

He said: "Pressure and threat cannot defeat justice. The United States must not forget that it was Korea where it drank the bitter cup of its first defeat".

U.S. Threat to Nonnuclear States Denounced

SK2703081694 Pyongyang KCNA in English 0802 GMT 27 Mar 94

["Nuclear Hysterics"—KCNA headline]

[Text] Pyongyang, March 27 (KCNA)—The U.S. Defense Department in an annual report recently submitted to the President and Congress suggested that in case non-nuclear states developed and used chemical or biological weapons, they should "be restrained with the use of nuclear weapons." The hardliners argue that this measure would be "an effective means of curbing the development of chemical and biological weapons by non-nuclear states".

This openly revealed their intention to threaten all the non-nuclear states with nuclear weapons and monopolize chemical, biological and nuclear weapons, stresses NODONG SINMUN today.

The news analyst says:

If this ambition of the United States is overlooked, the non-nuclear states cannot be free from U.S. threat of nuclear, chemical and biological weapons.

The demand of the hardliners of the U.S. military for the "use of nuclear weapons" is patent proof of the falsehood of U.S. propaganda that it "is a peaceful state obliged to prevent nuclear proliferation worldwide."

If the U.S. is really interested in promoting a fair implementation of the nuclear Nonproliferation Treaty [NPT], it must assure the international community it will not threaten the non-nuclear states with nuclear weapons and show its will for nuclear disarmament in practice.

The U.S. nuclear threat to non-nuclear states increases the partiality of the NPT, which imposes unilateral restriction and inspection on non-nuclear states while recognizing the right of nuclear monopoly of the nuclear-weapon states.

In abusing the NPT, the United States seeks to monopolize the nuclear weapons and, by wielding them at random, lord it over as the dominator of the world twisting all countries round its finger.

Nuclear threat cannot be a cure-all.

KCNA Blasts 'Smear' Campaign by Japanese Press

SK2603044894 Pyongyang KCNA in English 0423 GMT 26 Mar 94

["Ill-Intentioned False Propaganda"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—The SANKEI SHIMBUN, NIHON KEIZAI SHIMBUN and other subsidized newspapers of Japan said "North Korea is suspected of using nuclear technology exclusively for the manufacture of weapons" and it "is trying to gain time for the completion of nuclear weapons."

We cannot but heighten vigilance because the anti-DPRK smear campaign of Japan is getting all the more undisguised at a time when the situation on the Korean peninsula has been brought to a critical phase by the new war provocation moves on the part of the United States and the South Korean puppet clique.

As is known, the recent inspection activities performed by the inspectors' group of the International Atomic

Energy Agency were sufficient to fully verify the non-diversion of nuclear material at our nuclear facilities and definitely ensure the continuity of safeguards.

Yet the paid media of Japan are charging the DPRK with "exclusive use of nuclear technology for arms manufacture" and "gaining time". This is aimed at harming the DPRK by inventing a pretext at whatever cost and isolating and stifling it through international "sanctions" and pressure.

By spreading false rumours about the "nuclear issue" of the DPRK, Japan seeks a sinister purpose of justifying its ambitious project of becoming a nuclear power.

The Japanese reactionaries must refrain from a smear campaign against others, properly liquidate the past, discard the criminal design to make Japan a nuclear power and stop swimming against the trend of the times.

Japanese Officials Said Blocking Settlement

SK2603052094 Pyongyang KCNA in English 0442 GMT 26 Mar 94

["Japan Will Never Be Safe, Either"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—NODONG SINMUN today comments on the Japanese authorities' persistent obstruction to the settlement of the nuclear issue on the Korean peninsula.

The news analyst says:

Recently, Japanese Prime Minister Morihiro Hosokawa said "suspected nuclear programme of North Korea causes great concern in the international community." And Japanese Foreign Minister Tsutomu Hata blared that "if North Korea refuses inspection or takes an irresolute attitude, Japan will show a stern response."

This is a reversed logic defending the criminal posing a nuclear threat.

The Japanese reactionaries' false propaganda and pressure campaign against the DPRK are dangerous acts aggravating the tensions on the Korean peninsula and bringing the situation to a more acute phase.

In crying over "threat" from the DPRK, they intend to invent a pretext to justify their armament expansion and Japan's conversion into a military power and openly promote Japan's nuclear armament which has reached the danger line.

What is grave is that the Japanese ruling quarters are revealing their scheme to take a military action against the DPRK while working to isolate and stifle it in collusion with imperialist reactionaries.

The Japanese authorities' phraseology about "sanctions" and "stern response" to the DPRK shows that they are looking for a chance to launch an anti-DPRK military action with the nuclear issue as a pretext.

The Japanese reactionaries, dreaming of repeating the history of aggression, regard the Korean peninsula as the first target in their overseas expansion.

If the situation on the Korean peninsula goes worse and a war breaks out, Japan will never be safe, either.

The reckless military action of the Japanese reactionaries against the Korean people will result in digging their own grave.

U.S., Japan 'Dream' of Dominating Asia Assailed

SK2703090294 Pyongyang KCNA in English 0850 GMT 27 Mar 94

["U.S.-Japan Military Tieup Fraught With Danger"—KCNA headline]

[Text] Pyongyang, March 27 (KCNA)—NODONG SINMUN today comes out with an article on the undisguised anti-DPRK, anti-socialist campaign conducted by the United States and Japan while tightening military tieup under the cloak of "Japan-U.S. security."

The author of the article says:

The U.S.-Japan military tieup is an immediate offspring of their policies toward Korea and Asia. The U.S. and Japanese reactionaries are persistently seeking military tieup, motivated by the ambition to stifle the DPRK with strength and invade and dominate Asia with the Korean peninsula as a springboard.

They are showing new dangerous military moves around the Korean peninsula while continuing military confabs for the upkeep of U.S. troops in Japan, Japan's assistance to them, intensified cooperation in military technology and arms buildup under the cloak of "Japan-U.S. security."

At a meeting on "Japan-U.S. security affairs" a few days ago, the U.S. and Japanese ruling quarters confirmed that the "Japan-U.S. security pact" was "vital." They claim that the "pact" has not lost its meaning but, on the contrary, has assumed a new meaning because "destabilising factors still remain" in Asia, specially the Far East.

Their description of the DPRK as "a destabilising being" is a reversed logic and a trick to invent a pretext for strengthening their military tieup and anti-DPRK camhaign.

Intensified cooperation in military technology and active promotion of the unification of military activities are part of their moves to tighten military tieup.

It is noteworthy that the United States and Japan are these days making haste with the "theatre missile defence initiative" allegedly to cope with "nuclear threat" and "missile threat" from the DPRK. The "theatre missile defence initiative" is aimed at a missile attack on the DPRK.

In this way, the United States is pursuing a military adventure against the DPRK and socialism and the Japanese reactionaries are going to arm themselves with missiles.

The U.S. and Japanese reactionaries are proceeding with studies to strengthen the joint operation posture for a "case of emergency" on the Korean peninsula. Large-scale U.S.-Japan combined field exercises of three services have been held several times in recent years on a "scenario of the case of emergency on the Korean peninsula."

Their dream of stifling the DPRK and invading and dominating Asia through their military tieup is anachronistic.

We are fully prepared to respond to any military pressure and offensive from them.

They must immediately give up the attempt to stifle the DPRK through military tieup.

Perry Remarks on U.S. Readiness for Sanctions Noted

SK2803010794 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 27 Mar 94

[Text] While the U.S. imperialists' new war provocation maneuvers are rapidly aggravating the situation on the Korean peninsula, U.S. military moves are being intensified with an increasingly dangerous nature.

According to the U.S. newspaper THE NEW YORK TIMES dated 27 March, U.S. Defense Secretary Perry ordered that modern fighters be dispatched to South Korea and Japan immediately if the UN Security Council imposes sanctions on our country. He has also ordered an increase in the supply of ammunition and parts for the U.S. Air Force in South Korea so that modern fighters, such as the F-117 Stealth fighters and F-15E's, can go into action immediately.

The war fanatic also held a so-called news conference on 25 March, in which he raved about the need for thorough measures to cope with possible contingencies on the Korean peninsula and disclosed an operational plan for the additional dispatch of U.S. troops and military equipment to South Korea to augment the combat capability of U.S. imperialist aggression forces in South Korea.

He did not forget to rave that the step of dispatching modern fighters to South Korea is aimed at coping with someone's southward invasion. However, the U.S. military leaders' order on the additional dispatch of armed forces, which is timed with the recent frenzied commotions of military threats against us by the U.S. bellicose circles, show that the U.S. imperialists are the ones who are aggravating tension on the Korean peninsula and that they are the main culprit in leading the situation to the brink of war.

The fact that the U.S. imperialists have recently moved the U.S. Navy task force, including aircraft carriers, to the waters near our country, prepared their aggression forces in the U.S. mainland and in the area surrounding the Korean peninsula for a state of swift dispatch, and transported war material and U.S. troops to be mobilized in the Team Spirit joint military exercise to U.S. bases in Japan by air, clearly proves once again that they are intentionally maneuvering to further aggravate the situation on the Korean peninsula.

If the U.S. imperialists think that they can frighten someone with these military threats and blackmail, they are miscalculating. The U.S. imperialists should clearly see that this road of dashing to confrontation and war leads to their own grave and act with discretion.

Events Leading to 'Crisis Situation' Outlined

SK2803031194 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 27 Mar 94

[Text] A crisis that could touch off an extremely dangerous situation [wihom chommanhan sataega yubaldoelsuinnun wigigungmyonui sanghwang] is being created on the Korean peninsula due to the adventurous war provocation maneuvers of the U.S. imperialists and the South Korean puppet clique. Bellicose, abusive remarks that threaten us are being uttered by bosses in U.S. political circles who have started down a road of breach of faith by overturning the DPRK-U.S. New York agreement.

In a news conference on 18 March U.S. President Clinton revealed his intention to resume the Team Spirit-94 joint military exercise. On 22 March he ordered the deployment of Patriot missiles to South Korea.

On 22 March U.S. Secretary of State Christopher, speaking at the U.S. Senate Foreign Relations Committee, clamored that the International community should take strong sanctions against North Korea. On 24 March U.S. Secretary of Defense Perry babbled that the United States will send additional troops and weapons to South Korea in case the United Nations decides to take sanctions against North Korea.

On 24 March Sam Nunn, chairman of the U.S. Senate Military Affairs Committee, spreading a rumor that an attack by someone is imminent, openly clamored that the United States should make firm war preparations. In addition, the bellicose forces in the United States these days are uttering random abusive remarks threatening us militarily whenever an opportunity presents itself.

At the same time, a Patriot missile battalion is moving from the United States to South Korea, aircraft carrier fleets of the U.S. Navy [mihaegun hanggong moham hamdaedul] are being mobilized in the waters near our country, and large-scale U.S. imperialist aggression armed forces on the U.S. mainland and in areas near the Korean peninsula have assumed a mobilization posture.

According to a South Korean newspaper report that quoted a U.S. source, U.S. military authorities are mapping out an operational plan in case of emergency on the Korean peninsula to mobilize 600,000 troops, more than 200 naval ships, and more than 1,600 airplanes from the U.S. mainland within 80 days.

Joining the adventurous war maneuvers by the U.S. imperialists the South Korean puppet clique is now frantically running wild to inspire war fever in an attempt to attack us.

On 21 March traitor Kim Yong-sam held a meeting of security-related ministers in Chongwadae [presidential headquarters] and clamored that a perfect military security posture should be established to cope with someone's provocation. On 22 March he again urged the puppet military bosses to establish an iron-tight defense posture against North Korea.

On 21 March traitor Kim Chong-pil of the Democratic Liberal Party also clamored that a strong countermeasure should be taken against the North. Furthermore, puppet National Defense Minister Yi Pyong-tae clamored about a strong chastisement and retaliation on 23 March at a meeting of the National Defense Committee of the puppet National Assembly.

On 25 March puppet Prime Minister Yi Hoe-chang clamored about the establishment of strong countermeasures in the puppet Joint Chiefs of Staff and, thus, openly agitated for reunification through a northward invasion. On 26 March he went so far as to prowl about the puppet units in the frontline area, inspiring war fever by babbling about the establishment of a perfect defense posture.

According to a radio report from Seoul, the puppet Army held an expanded staff meeting on 26 March and decided to further strengthen its military posture in order to immediately perform its combat mission in an emergency. It has also been revealed recently that the U.S. imperialist aggression forces and the South Korean puppet Army has gone so far as to map out an extremely dangerous new operational plan, known as 5027, calling for northward invasion.

According to this war scenario the South Korean puppet Armed Forces have been on security alert under traitor Kim Yong-sam's instruction since 23 March. Along with this, the U.S. imperialists these days are dragging various types of combat planes, such as pursuit planes, vertical take-off and landing planes, and fueling planes to the skies over South Korea to stage with the puppets a provocative joint aerial war exercise aimed at a northward invasion. The South Korean puppets are firing weapons in the areas near the Military Demarcation Line and the DMZ. Thus, day after day they are waging military provocation maneuvers in the skies, on the ground, and at sea. The whole land of South Korea is filled with a warlike atmosphere.

U.S., ROK Moves Create 'Grave' Threat

SK2603043794 Pyongyang KCNA in English 0418 GMT 26 Mar 94

["The United States Must Act With Discretion"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—A very grave situation fraught with danger of war has been created on the Korean peninsula.

The United States and the South Korean puppet clique are openly crying that they would resume the provocative "Team Spirit" joint military exercises and have decided to deploy "Patriot" missiles in South Korea. Now fleets of aircraft carriers of the U.S. Navy are moving toward the waters close to Korea.

Synchronizing with this, the South Korean puppet Army has been put on a "standby posture" on the order of the traitor Kim Yong-sam and the puppet Joint Chiefs of Staff issued a "special emergency order" to all the puppet Army.

These provocative moves are very dangerous developments which may cause a catastrophic crisis on the Korean peninsula.

The perfidious act of the United States in totally reversing the agreed conclusions reached at the DPRK-U.S. contact in New York is the factor driving the situation on the Korean peninsula to the brink of war.

Raising unreasonable preconditions to us who have honestly implemented the points of its agreement with the U.S., the United States manipulated the Board of Governors of the International Atomic Energy Agency at its meeting to adopt an unjustifiable "resolution" against us. Worse still, it is trying to introduce "sanctions" against us at the United Nations Security Council.

The seditious forces of the United States are posing a grave military threat to us, letting loose a string of very provocative belligerent outbursts that the "international community must take tough measures", and it "must increase pressure on North Korea by practical acts."

The acts of the United States in bringing the situation to extremes after reversing the agreed conclusions in New York and making the DPRK-U.S. talks abortive will never produce results favourable to it.

The United States had better look squarely at the seriousness of the present situation and ponder it over and must stop the reckless row of pressure and adventurous war moves at once.

Spokesman 'Sternly' Denounces Patriots Shipment

SK2803123294 Pyongyang Korean Central Broadcasting Network in Korean 1210 GMT 28 Mar 94

[Text] In connection with the fact that following its abortion [yusan] of the third stage of DPRK-U.S. talks, the United States was recently maneuvering to put military pressure on us while kicking up commotions with regard to nuclear inspections in the international community, a DPRK Foreign Ministry spokesman issued the following statement condemning this.

Statement by a DPRK Foreign Ministry spokesman:

Following its abortion of the third stage of DPRK-U.S. talks, the United States was recently maneuvering to put military pressure on us while unjustly kicking up commotions with regard to nuclear inspections in the international community.

While babbling that it would resume the Team Spirit joint military exercise, which it had decided to suspend, the United States decided to deploy Patriot missiles in South Korea.

Forty-eight Patriot missile launching pads and a missile unit of more than 800 men are moving to South Korea from Texas, the United States, on orders from the U.S. President on 21 March, and they will reportedly arrive in South Korea toward the end of April. This proves that, from the very beginning, the United States had no intention to solve the nuclear issue on the Korean peninsula through dialogue and negotiations but has used the "nuclear problem" as a means of isolating and stifling the DPRK.

We sternly denounce the U.S. shipment of Patriot missiles to South Korea as a deliberate act to openly break the agreed point of the DPRK-U.S. joint statement on refraining from nuclear threat to the other and push the situation on the Korean peninsula to the brink of war.

The United States is bringing Patriot missiles to South Korea, laying the blame for the collapse of the dialogue at the door of the DPRK. This is a deliberate, dangerous military action to make the military situation of the Korean peninsula all the more unstable and, further, cause another war.

Though the U.S. authorities are now claiming that the Patriot is a "defensive weapon," they cannot justify its deployment in South Korea with any pretext.

From the topographical point of view, the Patriot missile can be used for the purpose of strike at any place of the Korean peninsula, which is not large. It is known to everyone that its target can be changed by the kind of the warhead it is tipped with. The U.S. shipment of new-type Patriots in South Korea is nothing but an open aggressive act to threaten the DPRK militarily and make a forestalling strike at it.

The United States reveals its intention to keep hold on South Korea indefinitely as its forward base in the Far East and continue to play the role of the MP [military police] in this region by deploying the improved missiles.

Our people and Asian people express a great worry over this reckless military action by the United States which threatens overall peace and security on the Korean peninsula and in Asia in general.

The decision of the United States to deploy the new-type Patriot missiles in South Korea is an illegal act of wantonly violating the Korean armistice agreement and ignoring the armistice machine.

The armistice agreement clearly stipulates that military equipment and combat materiel shall not be introduced into the Korean peninsula.

In the past days, the United States shipped into South Korea nuclear arms and many other kinds of equipment of new types in a covert manner, fearful of the armistice agreement. This time, however, it openly declared the deployment of the new-type of Patriot missiles in South Korea and is forcing it in broad daylight. This shows that the U.S. authorities pay no heed to the armistice agreement and armistice machine, and they throw away any international commitments like a pair of worn-out shoes if it is to attain their aim.

It must not be overlooked that the South Korean authorities, wearing their own nuclear helmet under the U.S. "nuclear umbrella," officially asked for the deployment of the Patriot missiles, clinging to the coattails of outside forces as ever. This clearly shows that the South Korean authorities have joined the United States in the nuclear kickup to stifle the DPRK and that they are not interested at all in the implementation of the "joint declaration on the denuclearisation of the Korean peninsula".

The behaviour of the South Korean authorities makes it plain that they are more zealous in frustrating the DPRK-U.S. talks than in realizing the exchange of special envoys.

The United States must immediately stop the deployment of the missiles posing a great threat to peace and security of the Korean peninsula and the Far East, and the South Korean authorities must discontinue at once their treacherous acts harming the fellow countrymen.

If the United States finally deploys new-type missiles after turning a deaf ear to this just demand of ours, it would entail grave consequences. The United States must ponder over this.

28 March 1994, Pyongyang

ROK Clergy Opposition to U.S. War Aid Noted

SK2503232894 Pyongyang KCNA in English 2217 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—The strained situation on the Korean peninsula caused by the unreasonable pressure on the North from the International Atomic Energy Agency and the rupture of the working-level contact for the exchange of presidential envoys between the North and South is attributable to the aggressive designs of the U.S. side to gain political and economic profits by pushing the situation to military tensions, the Seoul-based Christian Broadcasting System quoted the Council of Clergymen for Justice and Peace of South Korea as saying in a statement Thursday.

The statement expressed strong opposition to the resumption of the Team Spirit war game and the introduction of Patriot missiles, warning that they would only increase the danger of war on the Korean peninsula.

It also criticized the "civilian government's" pro-U.S. treacheries, saying that the Kim Yong-sam regime "is entrusting important issues related to the existence of the nation to the United States through an inconsistent diplomatic policy."

ROK's Han's Comments Termed 'Provocative Blast'

SK2603045694 Pyongyang KCNA in English 0427 GMT 26 Mar 94

["Provocative Outburst"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—The South Korean puppet Foreign Minister, Han Sung-chu, on March 22 let loose an extremely provocative blast, driveling that "the North must change its attitude" and "an effect can be expected when pressure is put on the North", charging the North with its "nuclear issue", according to a radio report from Seoul.

In a telephone conversation with the Japanese foreign minister that day, he "confirmed time and again the maintenance of the international cooperation system".

His remarks vividly show that the base intrigues of the South Korean puppet clique to stifle the fellow countrymen in the North have run into extremes.

He cried that the North "must change its attitude," not uttering a word about the fact that the South Korean puppet clique had broken up the North-South dialogue and driven the situation of the country to a phase of crisis. This is a stereotyped method of the puppet clique to commit crimes and shift the blame on to others.

Han talked something about "dialogue". But this was a ruse to evade the responsibility for the collapse of North-South dialogue and a camouflage for the puppets' sinister intention to do harm to the North.

He revealed the invariable intention of the puppets to isolate and stifle the North when he prattled again about "effectiveness of pressure" by the "international cooperation system".

Facts clearly show that the Kim Yong-sam group is, indeed, a never-to-be-condoned group of traitors who do not want either North- South dialogue or peace and peaceful reunification of the country but are trying to plunge the nation into the scourge of a nuclear war with the help of outside forces.

Daily Denounces ROK Defense Minister's Remarks

SK2603050994 Pyongyang KCNA in English 0431 GMT 26 Mar 94

["Grave Bellicose Outburst"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—NODONG SINMUN today comments on the bellicose outcries let out by the South Korean "Defence Minister," Yi Pyong-tae, recently at the "Defence Committee of the National Assembly."

The news analyst says:

By "strong retaliation," he meant to unleash a nuclear war against the North in conspiracy with outside forces, and by "making use of an event of contingency as an opportunity to achieve unification," he meant to "unify the country by prevailing over communism" through a war with the help of outside forces.

This was an open provocation against the North and a declaration of confrontation.

His provoking words against the North such as "strong retaliation" came after the entire puppet Armed Forces were placed in readiness for attack on the North at a time when the U.S. imperialists' aggression forces including nuclear carriers were moving close to the Korean peninsula. No one can dare act and speak like that, but those who are anxious to ignite a war.

However, the puppets' attempt to undermine the socialism of the North where the leader, the party and the masses are united in one mind is as foolish as trying to break a rock with a rotten egg.

If the puppets dare ignite a war to destroy our system like a puppy knowing no fear of a tiger, we will deal a heavy retaliatory blow at them.

Radio Warns of 'Catastrophic Crisis'

SK2603060094 Pyongyang Korean Central Broadcasting Network in Korean 0407 GMT 26 Mar 94

[Text] A very grave situation involving a danger of war [chonjaeng wihomul naepohan maeu omjunghan chongse] is being created on the Korean peninsula.

The United States and the South Korean puppet clique are openly saying that they will resume the provocative Team Spirit joint military exercise. They have decided to deploy Patriot missiles to South Korea and are finally planning to send additional U.S. troops to South Korea. In addition, U.S. Navy aircraft carriers are now moving toward waters near our country.

Amid these circumstances, the South Korean puppet Armed Forces have been put on a state of alert at traitor Kim Yong-sam's order, and the puppet Joint Chiefs of Staff ordered the entire puppet military forces to be put on special alert.

Seoul is scheming war plots [chonjaeng mouidul] every day. These very unusual, provocative moves that can be seen only just prior to an adventurous [mohomjogin] war are an extremely dangerous development that may cause a catastrophic crisis [pagukchok wigirul choraehalsu innun kukhi wihomchonmanhan satae palchon] on the Korean peninsula.

The insidious forces [pulsun seryoktul] of the United States are making extremely provocative warmaniac outbursts [kukhi tobalchogin chonjaeng pogondul], such as remarks that the international community must take strong measures, that pressure on North Korea must be strengthened by actual steps, that North Korea must not misunderstand the U.S. intent, and the like, posing military threats against us.

All these facts plainly show that the United States is not interested in resolving the nuclear issue of the Korean peninsula and is only trying frantically to isolate and stifle [apsal] our republic.

U.S.-ROK 'War' Exercises Reported

SK2703084494 Pyongyang KCNA in English 0832 GMT 27 Mar 94

["War Provocation Manoeuvres of U.S. Imperialists and South Korean Puppets"—KCNA headline]

[Text] Pyongyang, March 27 (KCNA)—The U.S. imperialists on March 26 brought C-141 and C-130 transport planes loaded with a large aggression force and military equipment to the U.S. Air Force bases in South Korea from overseas bases, according to military sources.

In the meantime, an overseas-based P-3 anti-submarine plane flown to the sky above the east coastal waters of South Korea carried out a sea reconnaissance and an exercise of strike at submarines by mines, torpedoes and depth bombs, escorted by formations of pursuit planes.

On the 25th, the U.S. imperialists deployed Okinawa-based formations of F-15s in the Osan Air Force Base, South Korea. On the 24th, they brought F-18a pursuit-assault planes to the Kunsan Air Force Base, South Korea, from the Yokosuka Base of Japan. The U.S. imperialists on March 25 staged an exercise of surprise bombing strikes at ground targets and an aerial attack exercise in the skies above Tokjok islet, Pyongchang and Tanyang areas of South Korea in coordination with war planes flown from overseas bases and those belonging to the U.S. Air Force present in South Korea and the puppet air force.

The South Korean puppets on March 24 and 25 drove dozens of armoured cars and heavily armed puppet army troops in a war gamble in the areas of Kimpo and Paju Counties, and Cholwon County in South Korean Kangwon Province.

On the 25th, they sent 20 odd fighter planes of the puppet army to the sky above the areas of Paju and Ryonchon, and Cholwon and Rinje of South Korean Kangwon Province, which are adjacent to the demilitarized zone and staged exercises of missile strike at ground targets and airlifting operation.

Such war exercises staged at a time when the aggression forces of the U.S. Pacific Fleet are moving toward waters close to the Korean peninsula and the U.S. forces in Japan are ready for action in "an event of contingency" prove that the new war provocation moves of the U.S. imperialists and the South Korean puppets against the northern half of the country are entering into a more grave stage.

LSWYK Decries Kim Yong-sam's 'Military Moves'

SK2503233194 Pyongyang KCNA in English 2242 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—A spokesman of the Central Committee of the League of Socialist Working Youth of Korea [LSWYK] in a statement today denounced the dangerous military moves of the Kim Yong-sam group which resorts to a fascist rule and frantic war racket while advertising "civilian government."

The statement branded them as reckless acts to put the youth and students and other people of South Korea on the altar of war and plunge the whole nation into a nuclear scourge.

The statement said:

Despite strong protest and denunciation from people at home and abroad, the South Korean authorities are introducing Patriot missiles from the United States and [are] going to resume the Team Spirit joint military exercises with their U.S. master and inciting a dangerous war fever after issuing a "special alert order" to the puppet Army.

Frequent sparks kindle a flame.

The bellicose elements of South Korea must refrain from a rash act, clearly knowing that confrontation and war will precipitate their own destruction.

We have the might of singlehearted unity with which to smash any aggressor forces at one blow.

The entire youth and students in the Northern half of the country will never tolerate the Kim Yong-sam puppet clique's confrontation row and war provocation moves.

The Korean people are fully prepared to answer a war with a war.

ROK Blamed for Collapse of N-S Talks

SK2603104694 Pyongyang KCNA in English 1004 GMT 26 Mar 94

["S. Korea Is To Blame for Breakup of Working Contact"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—The whole course of eight rounds of working contact for the exchange of presidential envoys between the North and the South of Korea was a touchstone distinguishing between the stand of national independence and that of dependence on outside forces, peace and war, reunification and division, patriotism and treachery, says NODONG SINMUN in a by-lined article today.

From the beginning, the South side turned down our side's reasonable proposals and measures without any reason, bringing forward unreasonable proposals, and thus created deliberate obstacles to the working contact, the article says, and goes on:

Prior to the eighth round of the contact, the South side, making a surprise volte-face from understanding the reasonableness of our side's four-point demand including the suspension of large-scale nuclear war exercises against the dialogue partner, totally brushed it off and perpetrated such a perfidious act as getting on the nerve of the North and fostering confrontation.

Such being the case, the North side, out of the desire to prevent the collapse of the working contact at any cost and promote it in conformity with its original nature, urged the South side again at the eighth round to refrain from such a perfidious act and stop getting on the nerve of the dialogue partner, inciting confrontation, increasing tension and thus bringing dialogue itself to a rupture.

The South side, however, categorically opposed the fundamental, principled proposals put forward by the North side concerning the maintenance of the principle of national independence, the promotion of the great unity of the whole nation and other matters related to the mission of special envoys.

It became all the clearer through the whole course of the working contact that "the improvement of North-South relations" and "dialogue" advocated by the Kim Yong-sam group were a ballyhoo and it was seeking to prolong its days as a group of colonial stooges by slaying fellow countrymen and putting them on the altar of a nuclear war in league with outside forces.

With nothing can the South Korean rulers cover up their criminal acts in making the North-South relations worse than in the period of the former military dictatorship and creating a phase of confrontation and war by breaking up the working contact, or evade their responsibility.

History shows that the days of the flunkeyist traitors kissing outside forces, estranged from fellow countrymen, are numbered.

Commentary Accuses ROK of Provoking War

SK2603135794 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 25 Mar 94

[Commentary by Yun Pyong-son: "Overt Incitement of Reunification by Advancing to the North"]

[Text] While tension on the Korean peninsula is aggravating day after day, South Korean puppets' war maneuvers of northward aggression are becoming more obvious.

According to reports, the puppet defense minister Yi Pyong-tae talked about someone's nonexistent provocation at the puppet Defense Committee of the National Assembly on 23 March and raved that strong retaliation will be taken and a strategic concept of making this occasion as an opportunity to achieve reunification is being studied.

By "retaliation," the rascal [nom] meant to provoke a war against us, and by "making this occasion as an opportunity to achieve reunification," he meant to "achieve reunification by advancing to the North with the help of the United States."

This bellicose remark, which cannot be overlooked, was an overt incitement of reunification by advancing to the North and a declaration of a war of aggression toward the North.

As everyone knows, it is the puppets' constant aggressive ambition to provoke a war of northward aggression by joining the outside forces and to crush [apsal] popular masses-centered socialism of our own style.

Veiled with a civilian mask, the puppets, who have accelerated war preparations more pertinaciously than the previous military gangsters, recently broke up dialogue with fellow countrymen deliberately, and taking the opportunity, they decided to resume the provocative Team Spirit joint military exercise and introduce Patriot missiles to South Korea while recklessly running wild in order to achieve an alliance system with outside forces. These are all aimed at achieving the aggression.

War maneuvers are multiplying in a phased manner in South Korea: puppet armed forces are banned from leave or sleeping out, the entire puppet armed forces are in a security posture, and a U.S. naval fleet, including an aircraft carrier mobile unit, is running about the sea near our country. The Korean peninsula is in an acute situation being driven to the brink of war.

The coinciding puppet defense minister's provoking words clearly show that the rascals take the provocation of northward aggression and reunification by advancing to the North as an established fact, and that, to this end, they are trying to light the fuse of war by all means.

Following the tracks of the traitor Syngman Rhee, the Kim Yong-sam ring is trying to launch a second Korean war while playing the role of a shock brigade for the imperialists' provocative maneuvers of war of aggression against fellow countrymen.

Under the condition that over a thousand nuclear weapons are placed in South Korea, if a war erupts on the Korean peninsula, it will lead to a nuclear war, and our nation will suffer an irrevocable nuclear disaster. That is why not only all the Korean people but also peace-loving people all over the world are outraged at and strongly oppose the puppet clique's provocative maneuvers for a new war.

The Council of Clergymen for Justice and Peace of South Korea, a South Korean Christian group, issued a statement on 24 March strongly opposing the resumption of the Team Spirit war exercise and the introduction of Patriot missiles and warned that this would only increase the danger of war on the Korean peninsula. It is not coincident that South Korean people from all walks of life are rising to wage an antiwar, antinuclear struggle.

Furthermore, at such a time when voices advocating reunification through the confederal system are swelling in the North and the South, the Kim Yong-sam ring's criminal maneuver of attempting the reunification through armed advancement to the North can never be tolerated.

The problem cannot be solved by the method of war. If the Kim Yong-sam puppet clique dares to covet the northern half of the Republic and shake our socialist system, our People's Army, which has both offensive and defensive means, will pay back the provokers hundreds and thousands times more.

We never make empty talk. History shows one who enjoys fire will eventually be burned to death. The Kim Yong-sam ring must abandon its wild fancy which will never be realized and must not rashly run amok.

The Kim Yong-sam traitor clique should clearly recognize that if it insists on following the course to provoke a war despite our repeated warning, it would only face a tragic destiny of destruction.

Paper Views ROK 'Suppression' of Press

SK2703090794 Pyongyang KCNA in English 0842 GMT 27 Mar 94

["Gag on the Press in S. Korea"—KCNA headline]

[Text] Pyongyang, March 27 (KCNA)—NODONG SINMUN today comments on the ever more intensified interference in and suppression of the press by the "Security Planning Board" (SPB) [Agency for National Security and Planning—"NSP"] in South Korea.

The "SPB" not only strictly bans the press from reporting about the mounting struggle on South Korean people against the flunkeyist treacheries of the traitorous Kim Yong-sam clique and its confrontational row against the North, their anti-American and anti-fascist struggle for democracy and their anti-war and anti-nuke struggle but also manipulates the subsidized media to mislead public opinion over the "nuclear issue of the North", the news analyst of the paper says, and continues:

The tightened control on the press by the Kim Yong-sam group through the "SPB" is unthinkable apart from the crisis of the "civilian government". What the puppets pursue in suppressing the press is to bar it from digging up and opening to the public their anti-national crimes and curb the anti-"government" action of the people.

It is a symptom of the end of the "civilian government" to try to maintain the treacherous rule by blindfolding the people and stuffing their ears and mouths through the suppression of the press.

The further the puppets intensify their anti-DPRK smear campaign and suppression of the people and the press through the "Security Planning Board", the fiercer the struggle of the people grows against the "civilian" dictatorship.

End to Kim Yong-sam Government Urged

OW2803054194 Pyongyang KCNA in English 0519 GMT 28 Mar 94

["Kim Yong-sam Regime Must Be Replaced by Independent, Democratic Government, Says NODONG SINMUN"]

[Text] Pyongyang, March 28 (kcna)—NODONG SINUMN today stresses that the traitorous Kim Yong-sam regime must be replaced by an independent and democratic government and calls on all the South Korean patriotic forces for independence and democracy to struggle for the establishment of such a government, not deceived by the false advertisement of the "civilian" administration.

Noting that to establish an independent and democratic government in South Korea is the main goal of the struggle for independence and democracy, the author of the article says:

It will be a government based on the anti-U.S., anti-fascist united front and a coalition government made up of representatives of various classes, strata, political parties, groupings and political forces joining in the struggle for independence and democracy.

Only when an independent and democratic coalition government is established on the grave of the colonial fascist dictatorship, is it possible for the South Korean people to bring about a historical turn in saving their livelihood from distress and defending human dignity and national independence.

'Warmaniacs' in South Accused of Acting Rashly

OW2803055294 Pyongyang KCNA in English 0512 GMT 28 Mar 94

[Text] Pyongyang, March 28 (KCNA)—The South Korean "prime minister," Yi Hoe-chang, at a "round-table conversation of security-related ministers" on March 25 cried for a "high-intensity alert posture against the North", a "perfect posture for countermove" and the like and, on the 26th, turned up at frontline units of the puppet Army and whipped up an extreme war fever, drivelling that they should be in a full defence posture to cope with an "emergency", according to a radio report from Seoul.

Meanwhile, the puppet Army held a "plenary meeting of staff officers" on March 26 and discussed the question of doing their utmost to maintain a posture for immediate entry into action". Such moves are unpardonable criminal acts leading the situation on the Korean peninsula to the brink of a war.

All the developments cleary show that the South Korean bellicose elements do not want peace and peaceful reunification of the country but have used the North-South dialogue to gratify their sinister aim of putting the brakes on the DPRK-U.S. talks.

The Kim Yong-sam group can by no means conceal the fact that it is an anti-national group blocking the dialogue between the fellow countrymen and trying to inflict the scourge of war upon the nation with the help of outside forces.

The "civilian" warmaniacs must stop acting rashly, clearly mindful of what bitter results their war frenzy would bring to them.

Commentary Blasts Kim Yong-sam Trip to Japan

SK2803145494 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 28 Mar 94

[Commentary by Yun Pyong-son: "Traitor's Ugly, Traitorous Junket"]

[Text] According to reports, traitor Kim Yong-sam made a junket to Japan during the period from March 24 to 26 despite strong protests of the South Korean and Japanese peoples. As a pro-Japanese stooge, his every move made during the junket was consistent with begging, asking, and traitorous acts from first to last.

What cannot go unnoticed before anything else is the fact that traitor Kim Yong-sam, in the meeting with Japanese Premier Hosokawa, plotted joint countermeasures and asked Japan to join in possible UN sanctions pn us by finding fault with our fictitious nuclear issue. This vividly shows that his junket to Japan was a total antinational junket aimed at harming his fellow countrymen in collaboration with the outside forces.

As everyone knows, our nuclear issue is a by-product of schemes and conspiracies hatched by the imperialist reactionaries who aim at crushing [apsal] our republic. The U.S. imperialists totally overturned the agreement of the DPRK-U.S. New York contact and massively deployed its aggression troops on the Korean peninsula and its surrounding region, thus driving the situation to the brink of war. This is also aimed at realizing such a goal.

If a war breaks out on the Korean peninsula as intended by the United States and its stooge South Korea, the entire land will suffer the nuclear holocaust. If the Kim Yong-sam clique had the slightest national conscience and wants peace and reunification, it should have rebuffed the imperialist reactionaries' maneuvers instead of banding together with them who try to harm the fellow countrymen. However, instead, he led the situation on the Korean peninsula to the brink of war with the outside forces and did not stop there. He even begged the Japanese reactionaries to take part in joint countermeasures and sanctions, and thus attempted to do something against us. What a vicious traitor the rascal [nom] is!

Traitor Kim Yong-sam, during his junket, raved about economic cooperation by enumerating on the rectification of the trade imbalance, the settlement of the industrial gap, and so forth. This, too, cannot be go unnoticed. The South Korean economy is a colonial subordinate economy and is a fragile economy which cannot be sustained even for a minute without U.S. and Japanese equipments, facilities, capital, and technologies.

The puppets have been babbling all along that they will reduce their trade deficit with Japan. However, because of their weak economy, rather than reducing the trade deficit, it has been increasing every year.

The Kim Yong-sam ring agreed to expand investment, open up the construction market, and allow Japan's small and medium-sized businesses to advance into South Korea. This will only result in further intensifying Japan's political and economic domination and subordination against South Korea.

Moreover, what cannot be tolerated is that as a single remark of reflecting on the past, Japan's emperor and prime minister tried to speak ambiguously of the crimes of the Japanese imperialists' aggression on Korea and barbarous colonial rule which lasted for almost half a century, and in this connection, Kim Yong-sam said that the past must no longer restrain the future and babbled about establishing a new South Korea-Japan relation.

During the Japanese imperialists' colonial rule which lasted for some 40 years, the calamities and sufferings which the Japanese imperialists inflicted upon the Korean people are truly innumerably tremendous. This criminal history cannot by any means be erased with the single remark of making a reflection.

When viewing the issue of comfort women, the Japanese imperialists committed a sin against God and man by forcibly dragging in some 200,000 Korean women to carry out all kinds of atrocities and even took their lives. Its truth must be thoroughly explained and this issue can be resolved only when appropriate compensation is made.

Therefore, the South Korean people waged demonstrations right before the puppet traitor's junket to Japan and urged that Kim Yong-sam wholly reveal Japan's crimes and strongly demand compensation from Japan. However, traitor Kim Yong-sam did not even open his mouth on this matter. Nevertheless, because of the single remark on making a reflection, he said that he highly assesses this, that the past must not restrain the future, and so on. Thus, he made the crimes committed by the past Japanese imperialists' into white paper. How is this different from the Ulsa-5 Treaty?

As a result, traitor Kim Yong-sam's junket to Japan was a nation-selling junket to tarnish the nation's dignity and sell the nation's interest. Therefore, the rascal once again revealed his true nature as an ugly flunkeyist nation-seller currying favor with outside forces without knowing shame or honor if it is for his personal idleness and to maintain power.

The criminal conspiracy between the South Korean puppets and Japanese reactionaries runs counter to the cause of peace and will only result in all the more aggravating tension on the Korean peninsula. All the Korean people will absolutely not forgive traitor Kim Yong-sam who is all the more running toward confrontation and division by visiting outside forces.

Daily Lauds Kim Chong-il's Unity With People

SK2603110994 Pyongyang KCNA in English 1047 GMT 26 Mar 94

["Unbreakable Unity Between Illustrious Leader and People"—KCNA headline]

[Text] Pyongyang, March 26 (KCNA)—The unbreakable unity between the dear leader Comrade Kim Chong-il and the people renders Korean-style socialism making a long drive invincible and firmly guarantees a bright future of the revolutionary cause of chuche in Korea, declares NODONG SINMUN in an article today.

The article in the first part says the unbreakable unity between the leader and the people is a proud feature of Korean society united in one mind.

The dear leader Comrade Kim Chong-il is quoted as saying:

"If the party enjoys the full support and love of the masses and is in perfect harmony with them, it can carry out any task, however difficult, creditably and with no fear of any enemy."

The article continues:

The grand features of our society where the leader and the people are in perfect unity find clear manifestation in that the entire party members, working people and people's army soldiers absolutely worship the illustrious leader and fully share the will and idea with him.

The Korean people have long since revered Comrade Kim Chong-il deeply, calling him "The Dear Leader."

Their worship of the leader is deepening in the struggle to defend Korean-style socialism.

The party members and other working people have the unanimous will to firmly trust and follow only the great General Kim Chong-il in any grim period and live under the magnanimous care of the revolution.

The dear leader Comrade Kim Chong-il's idea and theory run through our society and serve as the guideline of life and struggle and the life-giving water for our people.

The grand revolutionary features of our society where the leader and the people are in unbreakable unity are fully demonstrated in that the entire people always entrust their destiny to the illustrious leader and resolutely defend the party and the leader.

The article in the second part says the unbreakable unity between the leader and the people is the source of invincible might in carrying the cause of Korean-style socialism to accomplishment through whatever ordeals.

In Korea the cause of socialism is firmly defended and promoted victoriously. It is entirely because the dear leader Comrade Kim Chong-il and the Korean people are in perfect unity.

The perfect unity between the leader and the people is a basic factor for resolutely meeting any challenge of the imperialists and firmly defending Korean-style socialism.

The imperialists and reactionaries today are concentrating their attack on isolating and stifling the DPRK after socialism collapsed in some countries. But, we are staunchly fighting against their attack without the slightest vacillation.

As long as we are guided by the dear leader, we will win, and when we fight closely united behind him, nothing can break Korean- style socialism. This unshakable conviction of the Korean people enables them to resolutely stand against the imperialists and consolidate Korean-style socialism into an impregnable fortress.

The unbreakable unity between the leader and the people serves as a great motive force pushing ahead with socialist construction in any circumstance and makes our society a large revolutionary family.

Today our party and people are famous as a militant party and invincible people who can do anything once determined. This is because socialism is being built on the basis of the unbreakable unity between the leader and the people.

Thanks to this unity, impressive noble communist virtues are in full play and socialism is making a vigorous advance with great viability and strength in Korea.

The people who advance full of revolutionary optimism, closely united behind the illustrious leader, are ever-victorious.

We will regard the unbreakable unity between the illustrious leader and the people as more valuable than our lives and, on this basis, will walk the long road of the Korean revolution to the last, pushing through trials and ordeals.

Kim Chong-il Described as 'Brilliant Commander'

OW2803052494 Pyongyang KCNA in English 0459 GMT 28 Mar 94

[Text] Pyongyang, March 28 (KCNA)—The song "We Will Win Because You Are Leading Us" is widely sung among the Korean people.

The poem of the song was written by Ni In-mo, the incarnation of faith and will. It represents the unshakable idea that the cause of socialism is invincible as long as it is guided by the Dear Leader Comrade Kim Chong-il.

The Korean people are firmly defending the cause of socialism, holding General Kim Chong-il, the great iron-willed brilliant commander, in high esteem as supreme commander of the Korean People's Army.

General Kim Chong-il is a great military genius endowed by nature with the resourcefulness and personality of a brilliant commander.

Possessed of flawless quality and traits of an iron-willed brilliant commander and ever-victorious military strategist, he has strengthened the people's army and increased the might of socialism to be invincible with his unrivalled military intelligence, matchless grit and distinguished commanding art. Under his guidance today the Korean People's Army has grown into ever-victorious revolutionary armed forces equipped with modern offensive and defensive means and the entire people have been armed and the whole country has been fortified.

The Dear Leader is a great brilliant commander who is possessed of iron will not shaken by any roar of thunder.

Whenever the situation was carried to the brink of war in Korea by the aggressive war moves of the U.S. imperialists, he dealt a bitter defeat to the enemy in the spirit of decisive and fierce attack, without a moment's hesitation and vacilation. When the U.S. imperialists and their stooges ran riot last year to stifle the DPRK, resuming the frantic team spirit joint military exercises and demanding "a special inspection" of it, the supreme commander instantly proclaimed a semi-war state and powerfully aroused the whole party, the whole country and the entire people in defending the dignity and sovereignty of the country and the nation.

Now the U.S. imperialists are rendering the situation of the Korean peninsula extremely strained, after massively bringing to the Korean peninsula and its surroundings new-type fighter planes, warships and other means of nuclear strike of different types and Patriot missiles, totally reversing the agreed conclusions reached at the DPRK-U.S. contact in New York.

The United States is trying to bring the Korean people to their knees with a strong arm and pressure. But it is a mistake.

Nobody is equal to the strength of the singlehearted unity of the Korean people rallied closely behind the great brilliant commander.

Kim Chong-il Extends Thanks to War Veterans

OW2803055494 Pyongyang KCNA in English 0502 GMT 28 Mar 94

[Text] Pyongyang, March 28 (KCNA)—The Dear Leader Comrade Kim Chong-il extended thanks to 47 war veterans including Mun Song-gyun, participants in the past Fatherland Liberation War, in the Hwayang co-op farm, 14 veteran party members including Chu Tong-yun, head of the sub-workteam of veteran party members in the Nyongpho co-op farm in Chongdan county, 11 veteran party members of the 13th party cell of Kangnyong county seat households including Han Thae- il, and a farmer Sin Nyon-yong at the workteam No. 6 of the Songwol co-op farm in Ongjin county, who helped boost the production of grain, in south Hwanghae Province.

Out of the desire to live up to the loving care of the party and the state, they have cultivated lands to do farming and produced a large amount of rice.

Comrade Kim Chong-il also sent thanks to a worker Choe Song-gol of the Kwengdok mine and a worker Kang Hi-chun of the Ni Yong-rok enterprise, who rescued five children from the danger of drowning.

To devote individuals to the society, the collective and revolutionary comrades has become a social trend in the Democratic People's Republic of Korea.

Deputies Arrive for First Party Cell Conference

SK2603094294 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 25 Mar 94

[Text] Pyongyang, the capital of the revolution where a conference of cell secretaries of the whole party will be held, is overflowing with joy for greeting the deputies of the conference.

On the streets in the capital which are decorated with various welcoming decorations, the workers from all walks of life warmly welcomed the deputies. The deputies will attend the conference with great pride in having made active contributions to strengthening and developing our party and to accelerating the revolution and construction by loyally upholding the leadership of the great general [widaehan changgunnim] Kim Chong-il and by enhancing functions and role of the party cells.

Following the arrival of deputies from Chagang Province, North Hamgyong Province, Yanggang Province, and South Hwanghae Province, all deputies throughout the country including North Hwanghae Province, South Hamgyong Province, and South Pyongan Province, arrived in Pyongyang on 25 March.

The Pyongyang Railway Station, which greeted the deputies of the conference of cell secretaries of the whole party who are the core of our party, was overwhelmed from the early morning with an atmosphere of warm welcome.

A portrait of Comrade Kim Il-song, the great leader of our party and people, was respectfully placed in the railway station. The slogans reading, "Long live the great leader Comrade Kim Il-song!" and "Long live the glorious Workers Party of Korea!" were hung up.

Placards reading "We warmly welcome the attendants in the conference of cell secretaries of the whole party!" and "Let us loyally uphold the party's leadership!" were put up in the railway station, and large-size propaganda pictures welcoming the deputies of the conference were set up.

As the train arrived in the station with deputies aboard, the welcoming masses, waving bouquets and flowers, warmly welcomed the participants in the conference of cell secretaries of the whole country who will demonstrate the true shape of our party which is firmly rallied behind the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il with a sense of loyalty and filial piety.

The officials concerned warmly greeted the deputies. The deputies, who arrived in Pyongyang—the capital of the revolution—were overflowing with the revolutionary passion to glorify the conference of cell secretaries of the whole party, which will be held splendidly in the great expectations and interest of the people across the country, as a meeting of loyalty, which will vigorously demonstrate the firm faith and invincible will of the party's cell secretaries to tenaciously defend and to further glorify the socialist cause—the party's cause—without even a slight degree of wavering under any complex situation.

At the Pyongyang Railway Station, reporter Kim Chun-kyo of the Central Broadcasting Network met Comrades So Kwang-su and Kil Chang-ho, deputies from South Pyongan Province who will attend the conference of cell secretaries of the whole party.

[Begin reporter Kim recording] I warmly welcome you who have arrived in Pyongyang, the capital of the revolution. Will you speak a few words about your impression on arriving in Pyongyang, the capital of the revolution?

[Begin Deputy So recording] I am indeed pleased to come to Pyongyang, the capital of the revolution. From the moment of boarding the train, my heart dashed toward Pyongyang where the great leader and dear comrade leader are. As I am warmly welcomed after arriving in Pyongyang as a deputy of the conference of cell secretaries of the whole party, I am overflowing with the pride in being the core of our glorious party and a responsible figure for the basic party organization [kichungdang chojik].

I cannot suppress deep emotion fraught with thanks to the great General Kim Chong-il who provided us with a conference of cell secretaries of the whole party, which is the first occasion in history of our party, and who extended all benevolence and love to us after calling us as deputies. [end So recording]

[Begin Deputy Kil recording] The cell secretaries of the party in our South Pyongan Province who will attend the upcoming conference rushed to Pyongyang with deep emotion for benevolence of the great leader who called on women party members in (Tangsan) and party members in Nagwon during the days of war and led the party cell youth. The respected leader's lofty intention and effort to strengthen and develop the party cell have been brilliantly inherited by energetic activities of the great General Kim Chong-il.

Even in the midst of a busy time, the dear comrade leader personally read the letters sent from the cell members of the Fifth Bureau of the Korean Central News Agency and from the mining workers' cell in Toksong Mine, and sent reply letters to them. Thus, he saw to it that all cells throughout the country be firmly consolidated into that of loyalty. Even if the world may change a thousand times, I will loudly sing the song of faith, "Without You, There Is No Fatherland, With You, We Will Win!" I will attend the conference with loyalty cherished by our party cell members who trust and follow only the respected general Kim Chong-il forever. [end Kil recording]

[Begin deputy So recording] Deeply cherishing the lofty intentions of the great leader and the dear comrade leader who made efforts to strengthen and develop the party cells, I will actively contribute to glorifying the upcoming conference held for the first time in our party's history as a historic conference which will open a new turning point in carrying to accomplishment the chuche socialist cause. [end So recording]

Thus, the deputies, who will attend a conference of cell secretaries of the whole party, have arrived in Pyongyang, the capital of the revolution.

WPK Officials Visit Party Conference Deputies

SK2703082494 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 26 Mar 94

[Text] On 26 March, secretaries of the Workers Party of Korea [WPK] Central Committee visited quarters of deputies who will attend a conference of cell secretaries of the whole party. The conference will be held amid great expectations and interest of all party members and workers.

Comrade Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee; Comrades Kim Chung-nin and So Kwan-hui, secretaries of the WPK Central Committee, and responsible functionaries of the party Central Committee, visited the quarters of deputies in the city, including Ponghwasan Inn and Moranbong Inn, and met with deputies of the conference of cell secretaries of the whole party.

The secretaries and responsible functionaries of the party Central Committee said that the party's cell secretaries made active efforts to make the party cells the cells of loyalty endlessly loyal to the party and to the leader and the militant cells that vigorously organized and mobilized the party members and workers into the struggle to tenaciously defend and protect and to further glorify the socialist cause. The secretaries and responsible functionaries of the party Central Committee congratulated them for their attendance in the historic conference as deputies.

The secretaries and responsible functionaries of the party Central Committee expressed the firm belief that the party cell secretaries, keenly realizing their missions and duties toward the party and the revolution as responsible figures for our party's lowest basic organizations [maldan kichung chojik], will actively contribute to strengthening and developing the WPK into a chuche-oriented revolutionary party forever.

The deputies expressed a firm determination to make the current conference a significant meeting which will open a new turning point in further strengthening and developing our party into an invincible revolutionary party by smashing various manipulations and disturbance maneuvers of the imperialists and reactionaries. They resolved to tenaciously defend, protect and carry to accomplishment the socialist cause—the chuche revolutionary cause—by constantly enhancing the functions and role of the party cells and by deeply cherishing great trust and expectations by the dear leader Comrade Kim Chong-il who made them attend a conference of cell secretaries of the whole party, the first in its kind in our party's history.

Officials Attend National Tree-Planting Ceremony

SK2603053594 Pyongyang KCNA in English 0436 GMT 26 Mar 94

[Text] Pyongyang, March 26 (KCNA)—A national tree-planting ceremony was held here Friday on the lapse of 47 years since the great leader President Kim Il-song planted trees on Munsu Hill in Pyongyang and on the lapse of 37 years since the dear leader Comrade Kim Chong-il planted trees on Chang Hill in the city.

Present at the ceremony were Pak Song-chol, Politburo member of the C.C. [Central Committee], the Workers' Party of Korea [WPK] and vice-president; Kim Chung-nin, secretary of the WPK Central Committee; and Kim Pok-sin, vice-premier of the Administration Council.

Chu Song-il, chairman of the C.C., the General Federation of Trade Unions of Korea, made a report there which was followed by speeches.

The reporter and speakers recalled that President Kim Il-song opened up a broad vista for land development, indicating the orientation, ways and tasks for reforestation and wisely led the work to carry them into practice.

They also noted that Comrade Kim Chong-il instituted tree- planting day and tree-planting months to convert afforestation into a nationwide work and called for a brisk movement of tree-planting on a mass scale. As a result, mountains and fields of the country are covered with green forests and the cities and countryside have changed their appearance, looking more beautiful, they added.

They referred to the task to create in the next few years 200,000 hectares of forests of oil-bearing trees and 200,000 hectares of forests of trees for industrial use.

After the ceremony the participants and working people planted hundreds of thousands of trees on Munsu and Chang hills and in Nungna islet, the Taesongsan holiday resort, Kwangbok street and other places to make the capital city of Pyongyang more beautiful and covered with more luxuriant verdure.

Publication of Science, Technology Books Noted

SK2403231694 Pyongyang KCNA in English 1513 GMT 24 Mar 94

[Text] Pyongyang, March 24 (KCNA)—Publishing houses of Korea have recently brought out many new books of science and technology.

"Interpretation of Heat Conduction by Midget Computer" published by the science and encyclopedia press group consists of three parts and nine chapters which explain the method of solving equations of heat conduction with programs. The press group also printed

"Medicinal Tea and Health and Longevity". The book gives general knowledge of medicinal tea and describes its kinds, making and drinking, and introduces tonic tea, tea for recovering fatigue and teas for treating diseases.

The agriculture publishing house brought out "Comprehensive Mechanization of Agriculture", "Artificial Insemination of Domestic Animals and Technology", "Soil Dictionary" and other books conducive to widening the technical knowledge of agricultural officials.

Preservation of Cultural Relics Reported

SK2603230394 Pyongyang KCNA in English 1516 GMT 26 Mar 94

[Text] Pyongyang, March 26 (KCNA)—The building of the tomb of Tangun is progressing at fast speed in Korea.

Tangun is the father of the Korean nation who was the first king of Kojoson (ancient Korea) (3,000 B.C.-108 B.C.). Situated in Kangdong County, Yongyang municipality, the 22 meter high tomb will occupy an area of over 800,000 square metres when reconstructed.

The great leader President Kim Il-song personally studied the legend of Tangun and materials about his tomb and saw to it that the tomb was excavated. After the remains of Tangun and relics were excavated and identified scientifically, President Kim Il-song went out to the spot and gave instructions to rebuild the tomb splendidly to be handed down to the generations to come.

Thus, Tangun who had long been known to be a mythical man was proved to have been a real man and the history of Kojoson distorted by the Japanese imperialists when they occupied Korea was established correctly.

Under the wise guidance of President Kim Il-song, cultural heritages which had been severely destroyed by the U.S. and Japanese imperialist aggressors have been reconstructed to be preserved as treasures of the country and the nation.

In recent years, the tomb of King Tongmyong, the founder of the Koguryo Dynasty (277 B.C.-668 A.D.) which was the strongest country in the East, the tomb of King Wang Kon, the first king of Koryo (918-1392) which was the first unified state in Korea, the tomb of King Kogukwon (a king of Koguryo in the middle of the 4th century), the tomb of King Kongmin (the 31st king of Koryo) and tombs of other kings have been restored to their original state.

The Kwangbop temple in Mt. Taesong (392), the Pohyon temple in Mt. Myohyang (1042) and the Pyohun temple in Mt. Kumgano (670), Buddhist temples showing the equisite architecture of the Korean nation, and the wall on Mt. Taesong belonging to the Koguryo Dynasty and the wall on Mt. Ongbang belonging to the Koryo Dynasty and many other architectural heritages have been splendidly rehabilitated.

The Songgyungwan Academy of Koryo (992), one of the first universities in the world, was recently rebuilt on an expansion basis to be turned into a university training light industrial technicians.

The chronicles of the Yi Dynasty of 900 books in 1,763 volumes, the world largest governmental diary covering over 500 years of the feudal state of the Yi Dynasty, not omitting a single day, has been published in modern Korean language.

The bibliographical book (25 volumes) of the "80,000 Blocks of Complete Collection of Buddhist Scriptures" of 6,793 volumes, a library of Buddhism belonging to the Koryo Dynasty, and the selected translation of major sutras of the collection have been published and a modern house for preserving the collection was built in the scenic Mt. Myohyang.

Many classical books of history, culture, medical sceince and other fields such as "Tonguibogam", an encyclopedic book of Koryo medicine, "The History of the Three Dynasties" "History of the Koryo Dynasty", and "The Tale of Chun Hyang" have been collected and arranged.

The Korean Central History Museum, the Korean Folklore Museum and Provincial History Museum are crowded with youth and children and working people everyday.

South Korea

DPRK Geneva Mission Warns IAEA on Resolution

SK2503231094 Seoul KBS-1 Radio Network in Korean 2103 GMT 25 Mar 94

[YONHAP, REUTERS from Geneva]

[Text] North Korea warned that it will take a certain practical step if the International Atomic Energy Agency [IAEA] does not withdraw its resolution regarding the nuclear inspection of North Korea. Today, the North Korean mission to Geneva distributed the statement issued by the North Korean General Department of Atomic Energy and denounced that the IAEA is pursuing a vicious political goal.

North Korea said that if the UN Security Council takes steps to impose sanctions on North Korea, it will regard these steps as a declaration of war and that it will take a practical step corresponding to the IAEA Secretariat's unfairness if the IAEA does not withdraw its resolution.

DPRK 'Moving' Nuclear Facilities Around Capital

SK2603005794 Seoul CHOSON ILBO in Korean 26 Mar 94 p 2

[AFP/YONHAP from Beijing]

[Text] On 25 March, one day before President Kim Yong-sam's China visit to seek China's active role in resolving the North Korean nuclear issue, nuclear experts in Beijing said North Korea is moving its nuclear facilities under suspicion through connecting underground passages to other places in Pyongyang.

Meanwhile, Beijing sources anticipate that, although President Kim will try to induce China to play an active role in resolving the North Korean nuclear issue during his five-day visit to China by using the ROK's economic strength, China will not immediately change its position on the issue.

DPRK Envoy to France on Possible UN Sanctions

SK2603010794 Seoul YONHAP in English 0041 GMT 26 Mar 94

[Text] Paris, March 26 (YONHAP)—The representative of the North Korean general mission in Paris, Pak Tong-chun, commenting on possible U.N. sanctions against his country, says Pyongyang is prepared to go to war or resume dialogue on the nuclear issue.

In an interview with the daily LIBERATION, Pak said Thursday that the Korean peninsula is at "a negative turning point."

If the United States and its allies including France imposed economic and other sanctions, North Korea would regard it as a declaration of war, Pak said.

"As North Korea is ready to wage an all-out war, it is also ready to resume dialogue," he said. "This is not just idle talk."

He also threatened that a "catastrophic situation" would develop on the Korean peninsula if the United States and South Korea resumed their annual military exercise Team Spirit.

"Dialogue is always possible," Pak stressed, "but Team Spirit will have to be cancelled before it can take place."

U.N. sanctions against North Korea or deployment of Patriot anti-missile missiles in South Korea could force Pyongyang to withdraw from the Nuclear Non-Proliferation Treaty, he added.

Unification Minister on DPRK Nuclear Issue

SK2703105794 Seoul KBS-1 Radio Network in Korean 1010 GMT 27 Mar 94

[Text] Yi Yong-tok, deputy prime minister and minister of the National Unification Board, said that he hopes that the North Korean nuclear problem be peacefully resolved through dialogue before the sanctions are imposed by the United Nations. However, if North Korea does not show any change in its attitude to the last and sanctions are inevitable, the government will work out all possible measures based on the international cooperation system.

Deputy Prime Minister Yi stressed this while appearing in the program, "Diagnosis of Policies" carried by KBS-1 television network. He said that although North Korea did not show any indication of military provocation, it intensified slander, propaganda, and instigation activities against South Korea. Thus, North Korea more clearly showed its line for communization of the South. He revealed that the ROK established a firm security posture in close cooperation with the United States, including 24-hour operation of the AWACS system.

Concerning the issue of the North Korean residents' escape to China, which was recently intensively reported by KBS, Deputy Prime Minister Yi said that this issue was related not only to the ROK and North Korea but also to China, and as a result of this, the exercise of the rights for diplomatic protection is very difficult. However, he said, the government will make diplomatic efforts to solve the issue at an early date.

North Official on DPRK's 'Nuclear Bombs'

SK2703052694 Seoul CHOSON ILBO in Korean 27 Mar 94 p 2

[Text] Mr. Yi Pok-hon (33, from Sinam 1-tong, Taegu), who was arrested on 8 March by the Agency for National Security Planning [NSP] on espionage charges and who was transferred to the prosecutor's office on 25 March, stated while being investigated: "It seems North Korea has succeeded in manufacturing nuclear bombs." This draws our attention as there is current suspicion regarding North Korea's nuclear weapons development.

The NSP disclosed this on 26 March when it transferred Mr. Yi Pok-hon to the prosecutor's office. Since he left the country in 1990, Mr. Yi has been engaged in spy activities overseas, in regions such as Southeast Asia, the Middle East, Africa, and China. Mr. Yi reportedly stated during the NSP investigation: When I went to North Korea in March 1993, a Mr. Ho, a senior North Korean Workers' Party cadre, asked me directly if it would be tactically advantageous to North Korea to announce openly its possession of a nuclear bomb or would it be better to keep it secret after the withdrawal from the Nuclear Nonproliferation Treaty.

The NSP also disclosed that Mr. Yi said that the said Ho had told him that North Korea intends to deliver an atomic bomb, whose performance had not been tested, to a certain country in the Middle East sometime during 1994.

More on Reaction to Russian 8-Party Proposal

SK2603035294 Seoul HANGYORE SINMUN in Korean 26 Mar 94 p 1

[Text] The government has reacted negatively to the Russian Government's proposal for an eight-party conference made up of the four powers involved in the Korean peninsula issue, North and South Korea, the UN secretary general, and the International Atomic Energy

Agency director-general in order to smoothly resolve the North Korean nuclear issue.

On 25 March, a relevant Foreign Ministry official indirectly refused the Russian Government's proposal, saying: "We believe we need to prudently review the proposal for the conference, which will include relevant countries, such as the United States and Japan, on the North Korean nuclear issue. It is more important, however, to be patient because the UN Security Council is now discussing the North Korean nuclear issue."

The official said that "the Russian Government had already informed the ROK Embassy in Russia of its intention to make the proposal before it was announced internationally." He added that "the Russian Government's proposal was likely made to resolve the North Korean nuclear issue, which has been recently deadlocked, through a multilateral approach."

UN 'Discussing' DPRK Inspections Within Month

SK2603040094 Seoul SEOUL SINMUN in Korean 26 Mar 94 p 1

[Report by Yim Chun-ung from UN Headquarters in New York]

[Text] According to information received from a UN source on 25 March, while discussing the adoption of a resolution urging North Korea to allow additional nuclear inspections, the United States, Britain, France, and Russia—permanent member nations of the UN Security Council—are now considering demanding that North Korea allow additional inspections by the International Atomic Energy Agency [IAEA] within one month.

The source said: "The draft of the resolution prepared by friendly nations stipulates that 'the IAEA should report, within a month after it adopts a resolution on North Korea, if North Korea observes the Nuclear Safeguards Accord.'" It added: "This means North Korea is urged to allow additional inspections within one month."

The source also said: "If the UN Security Council decides to adopt this draft, North Korea must have consultations with the IAEA on the additional inspections within this period."

Prior to this, IAEA Director-General Hans Blix attended the UN Security Council meeting held on 25 March and said: "In order to maintain the continuity of nuclear inspections of North Korea, an IAEA inspection team has to enter North Korea again in six weeks to replace batteries and film."

UN Official on Council Nuclear Statement, China

SK2703031294 Seoul YONHAP in English 0301 GMT 27 Mar 94

[Text] United Nations, March 26 (YONHAP)—The U.N. Security Council retreated from a resolution to a statement by the council president in its first-step action on North Korea's nuclear issue due to China's opposition, officials here said Saturday.

"Chances are six to four that the action by the Security Council will be in a form of president's statement," said an official at the South Korean mission to the United Nations, "this change, after the council went as far as distributing the draft of the resolution, is intended to secure China's participation."

Chinese representative Chen Jian had spoken against adoption of the resolution at a closed-door council meeting on Friday and insisted on a president's statement instead with more weight on positiveness and objectivity, according to the officials.

The United States is somewhat neutral on whether it should be a resolution or a statement, but England and France are demanding a resolution. A heated debate is predicted at another closed-door session to convene on Monday.

But the contents, be it resolution or statement, will not differ significantly since the resolution from the beginning did not contain any sanction measures.

"Even if the council decides to issue a statement, the contents will not be much different from a resolution if it specifies the deadline on by when North Korea has to allow nuclear inspections, " the official said.

The five permanent members of the council moved quickly after Pyongyang denied access to a team of International Atomic Energy Agency (IAEA) inspectors to core sites of its suspected nuclear development earlier this month.

It was initially thought that the council would pass the resolution within this week giving North Korea one month to reallow IAEA inspection on the sites.

"China has indicated it is willing to participate if it's a council president statement," said the South Korean official, "it's important to include China in the council's action since sanctions are impossible without Beijing's cooperation."

"It's Seoul's position that it wouldn't mind whether it's a statement if it means China's participation," he said.

The situation is a repeat of April last year when the council opted for a statement instead of a resolution at China's opposition.

The president's statement is likely to come out this week, and the council will move up to a resolution if North Korea does not accept IAEA resolution by a set time, officials said.

PRC Proposal on DPRK Nuclear Issue Viewed

SK2803091694

[Editorial Report] Seoul vernacular newspapers on 28 March carry articles and editorials on China's new proposal for a solution to the DPRK nuclear issue.

The moderate TONG-A ILBO publishes on page 3 a 1,800-word article by correspondent Kim Cha-un from UN Headquarters under the headline, "The Significance of the Alternative Plan on the 'Statement in the Name of the President of the UN Security Council.'"

Noting that with the "new alternative plan" proposed by China on 25 March regarding the UN Security Council moves for adoption of a resolution on North Korea, discussion of the North Korean nuclear issue at the council has entered "a new phase," the article predicts that this proposal will bring about "a temporary stumbling block" in the West's plan to cope with North Korea in the future, and shows doubt as to whether North Korea will "obediently follow" the statement of the president of the UN Security Council which has no "binding force," unlike the resolution. The article also points out a possibility that this plan may "spoil" the atmosphere of the international community's "hardline measures" against the North Korean nuclear issue by giving North Korea time to drag on the issue. In spite of this, the article notes the recent Chinese proposal is winning "more affirmative reaction" by the West, and illustrates the reason for this as follows: First, with this proposal, one can sense that China's basic position on the North Korean nuclear issue is "changing" and that China agrees with the UN Security Council's "interference in and action" for the North Korean nuclear issue. Second, the West is hoping that such a change in China's attitude will exercise "a decisive influence" on North Korea, because China's supopport for a statement by the president of the UN Security Council means that China raises the "same voice" with the United States and other Western countries "opposing" North Korean nuclear development. Third, Western diplomats believe that China's "joining" in the efforts of the security council for a solution to the North Korean nuclear issue is "more important" than anything else. Thus, it is highly likely that the West will "accept" the Chinese proposal for adopting the statement of the council president during negotiations with the Chinese side next week. The article predicts, however, that the two sides will have a "tug of war" over the "contents" to be included in the statement.

The TONG-A ILBO also carries on page 3 a 1,300-word article by reporter Kim Cha-su, entitled "The Government's Position on the 'Alternative Plan Proposed by China.'" The article notes that the government showed an "affirmative reaction" to the Chinese proposal for adopting a statement to be issued in the name of the UN Security Council president because it believes that "winning support from China" is "more important" than anything else. The government hopes, the article writes, that the "same voice" raised not only by the five permanent committee members of the security council, including China, but also the 10 non-permanent committee members, will work as even "greater pressure" on North Korea.

The article observes that the purpose of the Chinese side in proposing the statement is to give North Korea "room" to accept an "additional inspection" and that by doing this, China will be able to explain to North Korea that if North Korea does not "comply with" the demand of the international community, China can "no longer" stand only on the side of North Korea. The government, however, maintains that the "contents" of the statement proposed by China should not be "remarkably" different from "a draft resolution" pushed by the security council's permanent members including the United States, and that the statement should include a content clarifying that "next-stage steps" will be taken according to the North Korean "attitude," referring to the remarks of the IAEA director-general that if another inspection of North Korean nuclear facilities is not conducted within six weeks, safeguards are highly likely to be "suspended." The article points out that during the ROK-PRC summit in Beijing, the ROK will ask China to support the security council's resolution in return for the ROK's acceptance of the Chinese proposal. ROK Foreign Minister Han Sung-chu will bring the result of his talks with Chinese leaders to the United States and based on this, will discuss "measures" henceforth with the security council's permanent members, including the United States.

The TONG-A ILBO also carries on page 3 a 1,300-word editorial under the headline, "A Pitfall in the Resumption of Dialogue." Pointing to "affirmative" moves of the UN Security Council and the ROK Government concerning the new Chinese proposal, the editorial writes that with emphasis put only on the nuclear issue, the issue regarding "tension" between the North and the South Korea has been "put aside," and denounces North Korea's "persistent refusal" of inter-Korean dialogue and recent remarks on "Seoul becoming a sea of fire." The editorial says that there is a "high possibility" that North Korea's "antinational, menacing act" may be "overlooked" if North Korea expresses "readiness" to accept additional inspection, changing its attitude. But the editorial urges the North to "apologize" for its "abnormal acts" and to basically change its attitude, so that it may be recognized as "a dialogue partner."

The moderate CHUNGANG ILBO publishes on page 3 a 1,200-word editorial under the headline, "How Long Should We Put Up With the Statement of the Security Council's President?" The editorial notes that with China's proposal for a security council president's statement, the North Korean nuclear issue will likely return to the "condition of one year ago" because the North has not shown any change in its attitude, and expresses "doubt" as to whether the ROK Government's support for the Chinese proposal is "appropriate." Criticizing the government's "excessive appeasement attitude," the editorial stresses that the "stick," while not necessarily meaning "confrontation," is more effective for bringing North Korea to the dialogue table.

South's Military Power Said Superior to North

SK2803033294 Seoul YONHAP in English 0301 GMT 28 Mar 94

[Text] Seoul, March 28 (YONHAP)—Defense Minister Yi Pyong- tae said Monday that South Korean military power is superior to that of the North.

Yi wrote in the KUKJONG SINMUM, an administration newspaper for public servants: "The combat ability as well as performance of equipment of the South Korean military are superior to those of the North Korean military. And our scientific war performance system overwhelms the North Korean one.

"Even if North Korea misjudges the situation and provokes a full- fledged war, it will taste only miserable defeat. The joint South Korean and U.S. forces will win a decisive victory after all."

The government's overall policy, however, is to deter North Korea's development of nuclear weaponry while preventing war and solving the nuclear problem peacefully, although security on the Korean peninsula is subject to increasing tension.

"For the survival of the nation, we must keep the North from developing nuclear weapons. Moreover, the military should adopt a perfect defense posture to immediately meet any situation that might arise if the North Korean nuclear problem is not solved in a peaceful way."

On a promising note, he said the military has not found any signs of an imminent North Korean attack on the South.

"The reason why the North is threatening the South is that it wants to control the North Korean people, who are agitated over the economic crisis. The North is also trying to obtain the maximum concessions from the United States and disturb the South psychologically."

Yi added that the South Korean military has prepared a water- tight defense posture.

'Possiblity' of DPRK Chemical Weapons in ROK

SK2803093194 Seoul MUNHWA ILBO in Korean 28 Mar 94 p 6

[Text] On 28 March, Japanese SANKEI SHIMBUN published a report from Washington that (Neil Livingston,) an American expert in studies of terrorism, warned that there is a possibility that North Korea, when it invades the ROK again, will wage a harassing operation in the rear area of the ROK with chemical weapons which it has already hidden in the ROK.

According to SANKEI SHIMBUN, (Livingston) alleged this in an article entitled, "The Dangerous Area," contributed to a recent issue of the publication "Sea Power," published by the Navy League, an organization supported by the U.S. Navy.

Stressing that the North Korean leadership which triggered a war on the Korean peninsula on 25 June 40 years ago is the Kim Il-song system, (Livingston) said that "the ROK is very vulnerable to North Korean attack, and therefore, it is very clear that Seoul, the fourth largest city in the world approximately 60 km away from the Military Demarcation Line [MDL], will undergo enormous damages at the initial stage, whatever type of war may break out there in the future."

He estimated that if the ROK Army fails to check the North Korean Army midway, the North Korean fighters will reach Seoul within five minutes and tanks will pressure Seoul in its outskirts within an hour.

In particular, he assumed that North Korea has stored an enormous quantity of chemical weapons in the areas near MDL in the North Korean side of the Armistice Line, and will likely blow off the poison gas to South Korea in an emergency by taking advantage of weather conditions, including wind, and that some of these chemical weapons might have already been hidden in secret places in Seoul or other areas of the ROK.

SANKEI SHIMBUN wrote that this suggests the possibility that armed spies, who will commit a terrorist act with chemical weapons at the directive from Pyongyang, might have already infiltrated into Seoul, or the forces that blindly follow North Korea might already possess these weapons.

DPRK Media Emphasizes 'Possibility of War'

SK2603071194 Seoul YONHAP in English 0509 GMT 26 Mar 94

[Text] Seoul, March 26 (YONHAP)—North Korea has been harping on the possibility of war with the South in official statements and issuing one warning after another through the media, while intensifying its propaganda offensive against Seoul since the rupture of working-level inter-Korean talks last Saturday.

Pyongyang's threats against Seoul started with remarks made by the chief North Korean delegate to the failed eighth round of inter- Korean talks.

Chief delegate Pak Yong-su called the South's strong reaction to the North's refusal to allow full International Atomic Energy Agency (IAEA) inspections of its declared nuclear facilities "a renunciation of the special envoy exchange, a declaration of total confrontation and a declaration of war."

"We're fully prepared to counter words with words and swords with swords," he said.

When his South Korean counterpart expressed concern about the mounting tension in inter-Korean relations, Pak snapped, "Don't worry. Do you think Seoul is far away from here? Do you think the South will be safe when the North is inflicted with damage? Seoul is not far from here and when war breaks out Seoul will be a sea of fire."

The Workers' (Communist) Party newspaper, the NODONG SINMUN, blamed the South for the failed inter-Korean dialogue, saying in a commentary carried in the March 20 issue that Seoul had "virtually declared confrontation and war" when its delegate used wild language that provoked his counterpart at the meeting.

Radio Pyongyang warned in an interview program aired on Sunday that the situation would lead to another war on the Korean peninsula.

The chief North Korean delegate to the failed working-level talks on exchanging special envoys issued a statement Monday denouncing the South's strong steps including resumption of the "Team Spirit" military exercise with the United States.

Calling the measures "a renunciation of the special envoy exchange," he charged that the South is leading inter-Korean relations to the brink of war.

In a statement issued by the Committee for Peaceful Reunification of the Fatherland on Tuesday and in a commentary Radio Pyongyang aired the same day, North Korea harped on the danger of war while intensifying its propaganda offensive against the South—even asking South Korean soldiers to disobey their superiors.

North Korea's leaders, while creating a sense of crisis among their people to put them on alert for war, are instigating South Koreans to overthrow their government and fight against America.

Radio Pyongyang urged, in a commentary also aired on Tuesday, that South Korean workers build a democratic government "on the grave of the reactionary government," recalling labor strikes in September 1946 and March 1947, according to the official North Korea watcher NAEWOE press.

It also called on South Korean students to rise up against the United States, reminding them of the student raid on a U.S. Embassy facility 12 years ago.

It said, "America is the root source of the South Korean people's sufferings, pain and unhappiness, and it is America that has heightened tensions on the Korean peninsula to increase the danger of war."

North Korea's threat of war aims at breaking the Seoul-Washington system of cooperation in dealing with the nuclear issue, analysts say.

The North had no intention of exchanging special envoys with the South even when it proposed the exchange last year. It was made simply to counter Seoul's proposal to form a joint North-South Nuclear Control Committee, according to the analysts.

This became clear when North Korea opposed including a clear provision on an inter-Korean special envoy exchange in the four-point agreement it reached with the United States in New York in February. The North Koreans simply agreed to resume working-level talks with the South Koreans on the exchange.

When North Korea denounced the inclusion of an exchange of special envoys as a precondition for the next round of high-level U.S.-North Korea talks, it showed its intention to break off the dialogue with an eye to excluding Seoul from its talks with the United States on the nuclear issue.

In this light, U.S. President Bill Clinton's letter to President Kim Yong-sam on Monday reaffirming America's defense commitment to South Korea dealt a blow to the North Koreans' wish to break up the Seoul-Washington cooperation system.

As before, North Korea's propaganda offensive against the South is designed to create social confusion in the South and spur South Koreans into anti-government and anti-American struggles.

North Korea also wants to maintain its political and social stability and solidify the position of Kim Chong-il as heir-apparent of President Kim Il-song by heightening tensions.

North Korea's propaganda tirade against the South is expected to intensify further when Team Spirit resumes and the IAEA steps up the pressure for additional inspection of nuclear facilities in North Korea.

DPRK Party Cell Conference Purpose Analyzed

SK2603095794 Seoul CHUNGANG ILBO in Korean 26 Mar 94 p 2

[By reporter An Song-kyu]

[Excerpts] A conference of cell secretaries of the North Korean Workers Party will be held in Pyongyang late this month for the first time since the party was founded.

According to Article No. 42 of the Workers Party regulation, the party cell is the lowest organization composed of 5 to 30 party members from 3-million party members working throughout plants, enterprises, cooperative farms, administrative organizations, public organizations and military.

Article No. 41 of this regulation stipulates the mission of the party cell as follows: The party cell is a combat unit of the party which unites the masses with the party and which directly executes the party's policy and lines among the masses.

The party cell secretaries are elected at a congress of the party cells which is convened more than once every month, and their tenure is one year. However, their total number has not been revealed.

The National Unification Board [NUB] noted that since the Workers Party was founded on 30 June 1949, the party congress was held six times, the party Central Committee meeting was held every six months, and party Political Bureau meetings, party Standing Committee meetings and party secretaries' meetings were held occasionally. However, the convocation of a conference of cell secretaries of the party is the first of its kind in the history of the Workers Party.

As this conference will be held for the first time, the people's attention is focused on the background of holding the conference. However, North Korea made public only the fact of holding the conference and stereotypical agenda for discussion. [passage omitted]

The NUB believes that this exceptional "conference of cell secretaries of the party" has something to do with the current situation strained surrounding the North Korean nuclear issue. In other words, North Korea will take advantage of the situation strained by the rupture of the North-South contact and by the moves of the international community for sanctions against North Korea for consolidating its system.

It is also likely that North Korea will stress the necessity of ideological struggle during the conference of cell secretaries of the party in a bid to prevent residents' wavering to be caused by economic difficulties in the event that the pressure is increasing on North Korea, thus attempting to disseminate the necessity of struggle to the people through the party's cell organizations.

Article Retraces Ruptured N-S Talks, Outcome

SK2503014894 Seoul THE KOREA HERALD in English 25 Mar 94 p 2

[Text] Following the shock remarks of chief North Korean delegate Pak Yong-su that North Korea was ready to wage war against South Korea and set Seoul aflame, the inter-Korean feud has become deeper than at any other time.

To make matters worse, North Korean criticisms against South Korean President Kim Yong-sam and Kim's strong reactions against them have collided, resulting in an "emotional" tit-for-tat.

"Reneging on its promise not to slander or vilify each other (in the inter-Korean basic agreement), North Korea extended its time for anti-South Korean propaganda to 13 hours from 10 hours a day," Kim was quoted as telling military leaders in a luncheon meeting at Chongwadae [presidential offices] Tuesday.

He further criticized the North for remaining the same as it was 50 years ago in failing to keep promises, citing that the North Korean continued its nuclear weapons development program secretly even after it agreed to a nuclear-free Korean Peninsula.

The fresh recrimination between the two Koreas can be seen most clearly at the working-level contact on exchanging envoys at the truce village of Panmunjom March 19.

In front of the North Korean delegates at the inter-Korean talks, chief South Korean delegate Song Yong-tae read aloud a "bill of indictment" issued by the North Korean Committee for Peaceful Reunification of the Fatherland, a body in charge of South Korean affairs.

In the indictment dated Feb. 25, Pyongyang harshly lashed out at President Kim Yong-sam and called on the South Korean people to wage decisive battles against the government to overthrow it.

To the North Korean delegates, all of whom are associated with the committee, Song strongly demanded that the North withdraw the indictment and apologize in order to engage in further dialogue.

"If the contents of the indictment were true, wouldn't it be hypocrisy for you to hold a talk with our side here and now?" Song was quoted as saying.

Song's vigorous protest was in response to the North's renewed demand of the four preconditions it had set for the envoy exchange. The North had backed down over the preconditions at the sixth contact March 12.

Such a turnaround on the part of the South was mainly caused by the North's repeated and escalating criticisms against the Seoul government, especially President Kim Yong-sam, analysts say.

With the exception of the first 100 days after Kim took office late February 1993, North Korea has not ceased to slander the South's Chief Executive.

Regardless of these vilification, President Kim decided to try to improve inter-Korean relations by proposing a summit meeting with North Korean leader Kim Il-song early this year, but met with more high-blown slander, which billed his offer "the whining of a hooligan caught in a trap."

The North's continued mudslinging against the South was reported to have something to do with the President's complete about-face on North Korean policy from appeasement to hardline.

According to a report compiled by the National Unification Board (NUB), the North's number of slander against the President amounted to 1,000 during the past year.

"Recently, it has doubled, to eight to ten times on a daily basis," Vice Unification Minister Song Yong-tae said.

North Korea's verbal attacks against the southern leader are centered upon Kim's personality, his policies and remarks regarding the North.

In extreme cases the North called President Kim Yong-sam a "political whore," "civilian fascist wearing business suit," and "first-class poodle of Japan and the United States," to name a few.

That is why the South Korean chief delegate demanded that the North immediately stop slandering the President, during the eighth contact at Panmunjom March 19, where the North ruptured the talks by walking out of the meeting.

The North's slander against the South Korean President are due to the country's great worry over the Seoul-Washington joint strategy in dealing with the North Korean nuclear issue, the NUB report analyzed.

The North Korean leadership must have reasoned that the close cooperation between South Korea and the United States would be a great stumbling block to the future negotiations between Washington and Pyongyang in resolving the nuclear issue.

Other reasons included the North's bid to maintain anti-South Korean hard-line sentiment among the North Koreans to calm discontent over its economic difficulty, and to weaken the President's popular support and instigate antigovernment struggles in the South, the NUB report analyzed.

However, many experts on North Korean affairs advised people not to be bothered with North Korean demagoguery, which stresses rhetoric. The government's North Korean policies should not be adversely affected by it they said. (LMH)

Inter-Korean Trade Continues After Talks Break

SK2803011694 Seoul YONHAP in English 0051 GMT 28 Mar 94

[Text] Seoul, March 28 (YONHAP)—Inter-Korean trade is taking root despite the heightened tension caused by the North Korean nuclear problem, the Korea Foreign Trade Association (KFTA) said Monday.

The realization ratio of inter-Korean trade—the ratio of the amount of trade actually realized to the amount the government approved in advance—reached an all-time high of 93.9 percent last year, according to the KFTA.

The ratio was only 53.7 percent and 57.9 percent in 1990 and 1991, respectively, before soaring to 81.2 percent in 1992.

A KFTA official said, "you can say the period between 1989 and 1992 was a mock-up stage for inter-Korean trade, but from last year the trade entered into a stable period."

An official at Samsung Co., which recorded the most trade with the North last year, said, "South Korean investment in the North was put off after the inter-Korean working-level contact ruptured. But trade is still going on."

Article on Kim Il-song Birthday Celebrations

SK2703064694 Seoul TONG-A ILBO in Korean 27 Mar 94 p 3

[Article by Pak Che-kyun entitled: "Preparatory Events for Kim Il-song Birthday Not Loud"]

[Text] Kim Il-song's birthday (15 April), which North Korea calls the greatest national holiday, is only a few weeks away. North Korea, however, does not appear as boisterous about it as it was in previous years. In previous years, various events to celebrate Kim's birthday, such as "the race to relay the letter of loyalty" would have already started.

On the contrary, North Korea issued an emergency alert order to the entire Armed Forces and is creating an atmosphere of tension, suspending the issuance of travel permits to residents, according to Kim Tok, director of the Agency for National Security Planning, who disclosed this at the security-related ministers meeting on 26 March.

Director Kim also said that the North Korean Army is checking the maintenance of its emergency communications network, while intensifying training. North Korea is stepping up the production of military supplies, such as military uniforms, according to some information officials.

Since the inter-Korean contact broke down on 19 March, North Korean broadcasts have been yelling: We will regard sanctions against us as a declaration of war. We will respond to war with war.

In particular, early this week North Korea will hold the national meeting of party cells for the first time in the "Workers' Party of Korea" history, with the participation of some 200,000 party cells.

North Korea is abruptly convening a national meeting of the party's frontline functionaries, while creating tension internally, because it is taking, apparently, extra precautions to prevent any crack in its system. North Korea must also want to demonstrate its resolute will externally. However, there are no signs of its provoking a war yet.

North Korea declared a semi-war state last year when the ROK-U.S. Team Spirit joint military exercise was conducted. Under this condition, attention is also focused on the rumor about a setback in Kim Chong-il's hereditary succession system. President Kim Yong- sam, interviewed by the ROK correspondents in Japan on 25 March, said that there seems to be some change in Kim Chong-il's succession system.

Rumors about difficulty in Kim Chong-il's succession system have circulated from time to time since Kim

Tal-hyon and other aides of National Defense Commission Chairman Kim Chong-il were reprimanded last December. With the frequent exposure of confusion in North Korea's nuclear policy recently, observers predict that the North Korean officials working on nuclear policy, which Kim Chong-il has been in charge, might be replaced.

On this question, the position of the National Unification Board and other relevant authorities is that although Kim Chong-il's succession system is firm, its execution could be expedited or slowed down. However, they believe that if a problem arises in the succession system, there will be a serious whirlwind in the North and its aftermath can reach the South.

Therefore, we will be able to determine what is happening inside North Korea from the development of the party cell congress, preparations for President Kim Il-song's birthday celebrations, and the sixth session of the Ninth Supreme People's Assembly scheduled for 6 April.

Businessmen 'Rush' to China Prior to Kim Visit

SK2503012694 Seoul THE KOREA TIMES in English 25 Mar 94 p 8

[By staff reporter Kim Chang-yong]

[Text] Top business leaders are knocking at the door of the Chinese market in time for President Kim Yong-sam's visit starting tomorrow, as they did in the past to create favorable atmospheres for presidential trips.

Kim Yong-won, chairman of Jindo Corp., and Kim Chae-sop of Youngchang Akki Co., a leading musical instrument maker, left for China yesterday.

Chairmen Pak Yong-kon of the Doosan Group, Chang Chi-hyok of the Kohap group and Yi Chun-yong of Daelim Industrial Co. are scheduled to fly to China today.

Bigger names including chairmen Chong Se-yong of the Hyundai group, Kim U-chung of the Daewoo group, Kim Sok-won of the Ssangyong group and executive vice chairman Cho Kyu-ha of the Federation of Korean Industries will follow in their steps this weekend.

Their visits are in the form of individual, personal trips as Chongwadae banned them from accompanying President Kim to show the severance between power and business. But all of them will join the president at two dinners in China, officials said.

Their headlong rush reflects their high hopes that Kim's visit may clear the way for closer economic and business ties with China, a socialist giant and emerging economic power. It contrasts with the presence of a few businessmen during his Japan visit.

Hyundai will move vigorously to get the Chinese central government to approve its plan to establish a joint venture company in Dairen capable of producing 300,000 autos a year.

It will also lobby Beijing to win a bid for the construction of a 1.5 billion-dollar multipurpose dam in Hainan, a Hyundai executive said. Hyundai, Korea's largest conglomerate with interests ranging from construction, to autos, is studying the feasibility of participating in a 20 billion-dollar project to build a dam on the Yangtse estuary.

Daewoo expects that it will sign a contract to set up a 1.5 billion-dollar auto assembly plant in a joint venture with a Changchun, northern China, company with an annual production capacity of 300,000 units.

Daewoo has already presented a letter of intent in regard to that project under which it hopes to begin producing engines and other components in 1996 and fully-assembled cars two years later, according to its spokesman.

The Samsung and Lucky-Goldstar groups are leaning toward the telecommunications service area as China is considering Korea's total digital exchange system as the model for its network.

The Sunkyong and Ssangyong groups hope that the presidential visit, which entails various levels of talks between Cabinet ministers, ranking officials and businessmen, will be a boon to their projects.

Sunkyong and Ssangyong, the fifth and sixth chaebols, are seeking the Chinese government's go-ahead to their plans for a 1.5 billion- dollar oil refinery in Shenzen and a huge cement plant capable of producing 600,000 tons, respectively.

Communications, Minerals MOU Signed With PRC

SK2803034594 Seoul YONHAP in English 0256 GMT 28 Mar 94

[Text] Beijing, March 28 (YONHAP)—Communications Minister Yun Tong-yun, who is accompanying President Kim Yong-sam in China, and his Chinese counterpart Wu Jichuan signed a memorandum of understanding [MOU] on bilateral communications cooperation here Monday.

The agreement calls for Korean communication firms' participation in communications network-building in China and joint development of asynchronous transfer mode (ATM).

South Korean companies will join in a cable-laying project between Beijing and Guangzhou, communications network-building in Hunan Province and construction of the Chinese posts and Telecommunications Ministry's project for computerizing the financial market.

Meanwhile, Korean Ambassador to Beijing Hwang Pyong-tae and Chinese State Science and Technology Commission Minister Zhu Lilan signed an agreement Monday allowing Korean youth volunteers to work in China.

Seoul will send 12 volunteers to China in the second half of this year, with the number to rise further in the future.

Hwang and Zhu also signed a memorandum of understanding on exploring for minerals in Fujian Province. The Korea International Cooperation Agency (KOICA) and the China National Nonferrous Metals Industry Corp. will perform a three-year feasibility study on the project.

Seoul will provide technology worth 1 million U.S. dollars for exploration work and, if profitable minerals are found, it will be given priority in development.

Foreign Minister Departs To Hold Talks in U.S.

SK2603032594 Seoul YONHAP in English 0250 GMT 26 Mar 94

[Text] Seoul, March 26 (YONHAP)—Foreign Minister Han Sung- chu is headed for the United States via Beijing for strategically important talks on the North Korean nuclear issue with Washington and the United Nations, the Foreign Ministry said Saturday.

Han goes to Beijing on Sunday to join President Kim Yong-sam, who is continuing his state tour of Japan and China, the foreign minister embarks on a separate trip to Washington, D.C., on March 29 and will shuttle back and forth between the United Nations until April 2 to negotiate the contents of the Security Council resolution on North Korea.

While in the U.S. capital, Han is expected to meet Secretary of State Warren Christopher and possibly Defense Secretary William Perry.

At the United Nations, he will confer with Security Council President Jean-Bernard Merimee.

The foreign minister stops off in Tokyo on his way home from April 2-4 for talks with his Japanese counterpart Tsutomu Hata and Prime Minister Morihiro Hosokawa.

The Security Council is ready to adopt a resolution on the North Korean nuclear issue sometime next week, when it will likely demand immediate inspections by the International Atomic Energy Agency (IAEA).

Han has timed his visit to New York to coordinate with Security Council members on how the United Nations should deal with the nuclear problem.

In Washington, the foreign minister will need to discuss the fate of the South Korea-U.S. joint military exercise "Team Spirit," specifically whether and when to hold it this year.

South Korea and the United States, although they have recently taken a hard-line stance outwardly, are expected to discuss possible ways to bring North Korea back to the negotiating table.

Comments on UNSC Action on DPRK

SK2703032694 Seoul YONHAP in English 0319 GMT 27 Mar 94

[Text] Seoul, March 27 (YONHAP)—South Korean Foreign Minister Han Sung-chu reacted positively Saturday to a change of action by U.N. Security Council to issue a statement rather than adopt a resolution on North Korea's nuclear problem, saying it could be more effective.

On his way to Beijing to join President Kim Yong-sam on a China visit, Han said China cannot but go along with a future U.N. resolution if North Korea does not come forward even after the council statement.

"I believe it's advisable to start with a council president's statement so that a resolution can be adopted unanimously," Han said at an airport press conference.

"Even to induce North Korea to negotiations, it would be more effective to start low, like a president's statement, than to start high with sanctions," he said.

China's opposition to a resolution is pulling back what has been a swift movement at the Security Council to deal with North Korea who earlier this month refused access to suspected nuclear facilities to International Atomic Energy Agency (IAEA) inspections.

"China's stance is to emphasize dialogue a little more before adopting a resolution," Han said.

The foreign minister heads to Beijing to join the president who is to arrive in Beijing later in the afternoon for a state visit. He then goes on a separate trip to the United States from March 29 to fly between Washington and the United Nations to coordinate future measures on North Korean nuclear issue.

He stops by Tokyo on March 3-4 before returning to Seoul.

Plan To Deploy U.S. Fighter Jets Reported

SK2703093994 Seoul YONHAP in English 0922 GMT 27 Mar 94

["U.S. Prepearing Immediate Air Force Deployment in Case of War"—YONHAP headline] txt

[Text] New York, March 26 (YONHAP)—The United States is planning instantaneous deployment of ultramodern fighter jets to South Korea and Japan in case of North Korean aggression, THE NEW YORK TIMES reported in its Sunday edition.

Secretary of Defense William Perry handed down instructions that include sending tactical aircrafts to South Korea within a day or two at outbreak of war, and the U.S. Air Force in Korea was ordered to increase its artillery and other supplies as backup, the paper said.

Only one of the three U.S. Air Force battalions stationed in Korea, comprised of 24 F-16s, can carry laser-guided bombs, according to the paper.

The U.S. decision to be prepared for armed conflict on the Korean peninsula was based on South Korea's physical distance from the United States and lacking scale of the U.S. forces there, it said.

Perry was quoted as saying that the United States will watch for another four to six weeks whether North Korea will allow international nuclear inspections before pushing for economic sanctions.

The paper went on to say China opposes a U.N. Security Council resolution, recommending instead a statement issued by the council president.

Washington could agree to the idea if the statement clearly indicates possibility of sanctions if North Korea ignores the warning about inspection demands, the paper said.

Editorial: U.S. 'Pressuring' Seoul To Buy Arms

SK2803101194 Seoul HANGYORE SINMUN in Korean 28 Mar 94 p 3

[Editorial: "U.S. Pressure on the ROK To Purchase Its Attack Weapons"]

[Text] As the North Korean nuclear issue, which was likely to be resolved through dialogue, has entered a phase of extreme confrontation, the United States is pressuring the ROK to purchase its ultramodern weapons, including anti-aircraft equipment, for increasing the ROK Army's military strength. It was reported that the United States has already begun to hand some weapons and equipment over to the ROK Army.

The U.S. media has particularly stressed the aggravation of the military situation on the Korean peninsula since October 1993, when the United States and North Korea continued to hold contacts to resolve the North Korean nuclear issue. Reporting this, the U.S. media mainly quoted high-ranking officials of the U.S. Department of Defense. The U.S. State Department, which is in charge of contacts with North Korea, has been busy rather controlling the public heat caused by those reports on aggravated tensions that spread like wildfire. Watching this, our people suspected that the U.S. munitions industry has an aim to let the ROK purchase its weapons, taking advantage of the tense situation on the Korean peninsula, and that the U.S. Department of Defense and U.S. media are helping facilitate the realization of this aim. They harbored this suspicion although they had experienced a fratricidal war, and though they were well aware of the significance of the words, "Forewarned, forearmed."

Our people, who want the North Korean nuclear issue to be resolved in a peaceful way, were vexed by reports carried in January on the U.S. plan to dispatch a national intelligence team to the ROK and to deploy Patriot missiles and updated Apache helicopters to U.S. forces in the ROK. This is because they know that the reinforcement of the ROK-based U.S. forces may further agitate North Korea, which is demanding that the United States and the ROK suspend the Team Spirit exercise to resolve the nuclear issue. The government showed a lukewarm attitude at that time toward the plan to deploy Patriot missiles to the ROK-based U.S. forces because it was aware of the people's anxiety.

The situation, however, has changed. The International Atomic Energy Agency's [IAEA] inspection of North Korean nuclear facilities ended in dissatisfaction, and the North Korean nuclear issue has been referred to the UN Security Council. Moreover, the North Korean chief delegate to South-North working-level contacts made remarks such as "no hesitation in bringing about war" and "sea of fire," agitating the people. U.S. Secretary of Defense William Perry said in a news conference held on 25 March: "The reinforcement of the ROK Army is a matter of the United States' primary concern." He added: "The United States will recommend the ROK Army be equipped with gun-locating radar, Apache attack helicopters, and precision weapons for destroying guided tanks. Gary Luck, commander of U.S. Forces Korea, and the ROK Army are now holding intensive discussions on this matter." Of course, I think, his statement was made not only because of the North Korean delegate's remark. Secretary Perry also said that the Patriot missiles in question will be deployed to the ROK within a month. He explained that the United States originally planned to deploy the missiles in the second half of this year as a part of a long-term project of modernizing the Army, but it has decided to advance the date, regarding this as a prudent preventive measure. The Patriot missile is one of the updated weapons that the United States strongly "recommends" the ROK to purchase.

We are well aware that the United States is greatly concerned about North Korea's reaction to be shown in case the United Nations decides to apply sanctions against it since North Korea has stated that it would regard any sanction as a provocation.

As Secretary Perry said, however, there is no military crisis between the ROK-United States and North Korea. We are not under an emergency situation, in which a military crisis is likely to come soon, either. It is necessary, however, for the ROK and the United States to maintain an iron-tight defense posture in preparation for an emergency. On the other hand, the two countries should also continue to make efforts to resolve the nuclear issue through dialogue. The United States should not force the ROK to purchase attack weapons, taking advantage of the tensions between South and North Korea.

4-5 Apr U.S.-ROK Trade Conference Previewd

SK2803114294 Seoul TONG-A ILBO in Korean 28 Mar 94 p 2

[Text] The United States has been putting more pressure on the ROK to open the ROK's automobile market and asking the ROK to import corn flour and processed plums and allow advertisements for dog food. As a result, signs are showing that ROK-U.S. trade disputes will grow.

In particular, the United States is expected to try to extensively discuss the trade disputes between the two countries and step up its trade pressure on the ROK at the 16th ROK-U.S. working- level trade conference scheduled to be held in Washington on 4-5 March.

A ROK Government official concerned said on 27 March: "The United States has complained about the ROK's 10-percent tariff on imported U.S. cars, saying it is too high. It has strongly asked the ROK to lower the tariff and remove such non-tariff barriers."

He also said: "The United States is expected to warn the ROK that it could renew the Super 301 trade provision and take other retaliatory measures if the ROK did not accept its demand at the Washington working-level trade conference.

This official went on to say: "The U.S. Carmakers Association will send a large delegation to the ROK in mid-April to ask the ROK to open its automobile market. Also, it has asked the U.S. Government to take retaliatory trade measures if the ROK does not open its car market any wider."

At the 20th regular ROK-U.S. Trade Council meeting held on 23 March in Seoul, the United States asked the ROK to allow imports of corn flour and reprocessed plums and advertisements for dog food. It also asked the ROK to reclassify imported vitamins for pets and raised an objection to the ROK's inspection of the viscera of pigs.

The United States also raised an objection to the ROK's practice of allowing heat-treated frozen U.S. sausages to be sold in ROK markets only within 30 days after they were produced. It asked the ROK to allow them to be sold up to 90 days after they were produced.

Defense Ministry To Probe Yulgok Force Plan

SK2803033094 Seoul YONHAP in English 0242 GMT 28 Mar 94

[Text] Seoul, March 28 (YONHAP)—The Defense Ministry's Armed Forces special inspection group, starting early next month, will examine large-scale construction projects being carried out under the force improvement plan codenamed Yulgok.

The inspection, in line with a government-wide move to stamp out irregularities related to state-funded construction projects, will focus on how Yulgok projects were awarded to civilian contractors, whether they are proceeding as scheduled and if there are any irregularities, ministry officials said Monday.

Most of these projects were launched as long-term undertakings under a tight security lid and thus have not been inspected over the years.

The first-time inspection will be extensive in covering many Yulgok construction projects and put particular stress on checking whether project officials have taken bribes, an official said.

Shipbuilding Facility Expansion Decision Viewed

SK2403065694 Seoul THE KOREA HERALD in English 24 Mar 94 p 8

[Text] Japan, the European Union, and other members of the OECD shipbuilding committee have recently urged Korea to reconsider its plan to expand shipbuilding facilities, citing a renewed global "overcapacity," officials at the Ministry of Trade, Industry and Energy said yesterday.

The demand was aired to the Korean delegation during the latest March 14-18 negotiations under the auspices of the Council Working Party 6 of the Organization of Economic Cooperation and Development, which wound up without any agreement.

The EU and Japan, in a joint statement to the full session of the OECD group March 17, voiced deep concern that the negative consequences of a renewed "overcapacity following the Korean government's decision to remove a temporary ban on capacity expansion by Korean shipbuilders."

"An increase in capacity of Korean shipbuilders, which would in no way be justified by the reality of the market, would seriously undermine the purpose of the Revised General Guideline for Government Policies in the shipbuilding industry and the shipbuilding agreement currently under negotiation to aim at ensuring a balanced market for a return to normal competitive conditions," said the statement made available here.

It recalled that "such an increase existed in the 1970s and 1980s where, at a time of deep crisis, when a majority of producing countries were reducing substantially their capacities, important new capacities were installed in Korea."

In another statement to the shipbuilding session, the United States called for Korea to clarify its intention to neither contribute to the planned expansion nor extricate the industry from any difficulties that expansion may cause in future.

The Korean delegation explained to the member countries that Korea's shipbuilding rationalization program, introduced in 1989, expired at the end of 1993 as scheduled, but not the Korean government's lifting of restraints on facility expansion by Korean shipbuilders as claimed by other members, according to the ministry officials.

Korean delegates said the Korean government is now promoting deregulation and market-opening measures, and it is now finding it difficult to take any action against private investment plans, they said.

Explaining the negotiations to reporters, a ministry official said Korea promised to the participating member countries that the Korean government would not provide any financial support in honor of the multilateral shipbuilding regime of the OECD and it could not bail out any Korean shipbuilders even if they suffered financial difficulties caused by their expansion plan.

An estimation, made by Japan and the EU, that the global shipbuilding supply will exceed demand by 7 million to 9 million gross tons to 26 million gross tons in 1995, has yet to be verified, however, he said.

The official said local shipbuilders appear to be following overblown expansion plans because of local rivalry, adding that the government would work out countermeasures after a cooling-off period it said is needed to cool down competition among them.

The ministry will ask local shipbuilders to refrain from excessive competition and inform them that the government will not take any relief measures in favor of ailing companies, he said.

Burma

Singapore's Goh Begins Official Visit

BK2803120094 Singapore Singapore Broadcasting Corporation in English 1100 GMT 28 Mar 94

[Text] Prime Minister Goh Chok Tong is in Yangon [Rangoon] on a three-day official visit aimed at promoting economic links. He is among the first heads of government to visit Maynmar [Burma] in recent years.

Mr. Goh, who arrived in the Myanmar capital today, has called on his counterpart Senior General Than Shwe. Singapore also sees Myanmar as an important area for investment in Sngapore's push to go regional.

According to the Trade Development Board Singapore is among the top 10 foreign investors in Myanmar and is second largest trading partner.

Mr. Goh's delegation include some 25 businessmen.

It is also been announced that a 5 million dollar Myanmar Technical Assistance Fund has been set up. It is to help the country open up its economy, expand the scope of training for workers, and reintegrate with the international community.

A Foreign Affairs statement says the fund is similar to the Indochina Assistance Fund. It will focus on upgrading skills by expanding technical training program and consultancy expertise so as to accelerate development.

Tourist Visas Extended To Stimulate Economy

BK2603164094 Rangoon Radio Burma in Burmese 1330 GMT 26 Mar 94

[Text] In order to speed development of the Myanmar [Burma] hotel and tourism industry, to enhance the economy through the hotels and tourism industry, and to welcome tourists to Myanmar, which is rich in tradition, cultural heritage, and nature, the Ministry of Hotels and Tourism has been finding ways and means to develop its activities quickly.

Thus, with the view to attract more tourists, the duration of entry visas for tourists has been increased from two weeks to four weeks and the foreign exchange requirement has been increased to US$300 from US$200. These changes have been effective since 14 March.

Than Shwe Gives Armed Forces Day Speech

BK2703120094 Rangoon Radio Burma in Burmese 0115 GMT 27 March 94

[Address by Senior General Than Shwe, commander in chief of the Defense Services, for 49th Armed Forces Day at Resistance Park, Rangoon on 27 March—read by announcer]

[Text] Senior General Than Shwe, commander in chief of the Defense Services, gave an address and said: Today is the 49th Armed Forces Day or resistance day, which is a special day full of significance for the nation and the Defense Services. At this significant armed forces day parade, I would like to emphasize to the leaders about the [words indistinct] emerged along with the economic endeavor; traditions of the Defense services; our present efforts to build political, economic, and social conditions with the aim of a peaceful and prosperous country; and the efforts to make our Defense Services a skillful one to defend our country. Continuing, he said: Comrades know that the country was under servitude for over 100 years. Our people lost everything politically, economically, and socially under this servitude. National pride was degraded. Forty-nine years ago, on 27 March 1945, our Defense Services, together with the national people, took whatever weapons were available and staged a resistance. They sacrificed their sweat and blood for the return of our people's political, economic and social rights. Armed Forces Day, or resistance day, has been held annually to mark that day for the last 49 years in our country. He added that the Defense Services, while fighting the enslavers to free the nation from servitude and to make the country a sovereign state, was founded with the full support of the national people. The fundamental spirit and attitude that the Defense Services has always upheld since its inception in December 1941 until today are: to defend the country and interests of the people with its life, and to work for the interests of the nation and the people. He said the comrades must note that this spirit and attitude are the fundamental quality and good traditions of the Defense Services.

The commander in chief of the Defense Services continued and said: Our country was freed from servitude for over 40 years. For over 40 years, our people have been suffering from the pain of the internal insurgency that emerged with independence. Due to this suffering, our country is not as developed as it should be and it lagged behind and (?became poor). Our country has good landscape and weather, and has an abundance of forests, food, and natural resources. While having the basics to become a rich country, our country is poor because of internal instability and insurgency. Our country can become a modern, prosperous, and developed state if we—the whole nation—(?discuss) and build the nation in a peaceful and united way.

He then said: Due to historical responsibility, the Defense Services took state power on 18 September 1988. The whole nation knows that our Defense Services dutifully and honestly controlled the country when disturbances and uprisings were going on all over and the country was on the verge of collapse. Besides our original responsibility of defense and security, we have to shoulder the responsibility of restoring peace and stability in the country and to modernize and develop the country. The comrades know that this is why the Defense Services are trying to build the nation and work day and night with good intentions and goodwill for the utmost betterment of the country even as it takes responsibility for the country. The comrades have also seen our country's improved political, economic, and social conditions.

Continuing, he said: Our country's situation is one where we are at a crossroad. While the country's old system has stopped, the country's new system has not exactly emerged yet. At present, there are two responsibilities to be carried out for the emergence of a peaceful and modern country. They are: national reconciliation [two preceding words rendered in English] and the emergence of a new constitution. Continuing on national reconciliation, the commander in chief said the fighting among our national people has been going on for over 40 years since our independence. We all are relatives and brethren national people, so the killing and bloodshed should be enough by now. He said: Seek repentance. See the wrong and make it right. For the sake of the country and the people, repay the historical debt. We see that while the country possesses the basics to become rich, it is poor due to disunity, fighting, and killing among one another. During this time—while we are taking responsibility for the country—we, with the good intention and goodwill and with the aim of building a modern and developed state together with all the people in a peaceful and united way, have discussed, coordinated, and invited the armed organizations in the jungle to return to the legal fold. Due to the invitation, 10 armed organizations in the jungle, which understood our goodwill, have returned to the framework of a peaceful political system. They are working hand in hand with us to implement development programs in the states and we have achieved considerable success.

He then added: Some armed organizations are still holding discussions with us. At the same time, some groups do not understand our genuine goodwill and sincere overture. Some groups are conspiring to exploit the situation politically and militarily by saying that we are offering peace because we are facing political crisis and we are weakening. We, however, are still patiently waiting for them to return because these groups still hold on to old political ideas and ignore the development of the country. They are only working for the interests of their own group or party.

Continuing, Than Shwe said: Peace overtures were made not because we are facing a political crisis nor are we weakening. You must understand that national reconciliation is indispensable and for this reason we are making the overtures. This is not only the responsibility of the Defense Services, but it is also the historical duty of the national people and it must be carried out today.

Another point is the responsibility and effort to draw up the constitution. While there must be national unity for the emergence of a stable and developed country, it is also necessary to have a constitution. The comrades also know that we, on the one hand, have been inviting the armed groups in the jungle to return to the legal fold; on the other hand, we have organized and held the National Convention to successfully draw up a constitution by organizing the delegates from all social strata—workers, peasants, intelligentsia and technocrats, etcetera—and parties and organizations in the country. Today, the National Convention has laid down the basic principles to draw up a constitution and it is being held with momentum. He addedd: You must not forget the responsibility with which we, with good intentions and goodwill, must work up to the stage where the country is governed peacefully by the forming the organs in accordance with the constitution that will emerge.

Continuing, the commander in chief of the Defense Services said: While carrying out these two political responsibilities, we are also working for the development of economic life—welfare of the national people etcetera. We are also transforming from the former Central Plan Economy [three preceding words in English]—Socialist Economic System—to the present Market Economy [two preceding words in English]. The freedom to do business and trade is also granted. Our national people are allowed to do business and trade and live freely depending on their caliber and skill. The right to freely control a legal business and one which does not affect the major interests of the country are also granted. These are implemented to facilitate the economic transformation which will be suitable to the new country to emerge in the future. While we are carrying out the political transformation on one side, we also are carrying out the suitable economic transformation on the other side. For the transformation of economy, we are working on private sectors and also creating an atmosphere for the public sectors to boost the country's economy. Due to today's position, our country has to base its economy on agriculture. We have to develop our country Targeted and based on agriculture. That is why, to [words indistinct] the comrades are participating in irrigation works to develop our nation's economy, which will be based on agriculture. Our country has to base its economy on agriculture and gradually develop other areas. While the country is not in a position to become an industrialized nation overnight or to become a rich nation, the country must base its economy on agriculture, which is favorable to our country and will gradually transform it into a modern and developed nation. He also said that comrades have to participate energetically and enthusiastically in agriculture, which is the basis for our country's economy, and in other nation building programs. He added: Comrades, after building good political and economic foundations, the country will have good foundations for establishing a peaceful, modern, and developed state of the future. The comrades should understand that we, with genuine goodwill, are working day and night on political and economic matters during this transitional period to avoid getting into trouble due to frequent political and economic instability and to allow a new government—whoever it may be—to govern peacefully, prosperously, and with stability.

The commander in chief of the Defense Services said: The comrades know that we all are trying to build our country into a modern and developed state. To defend our country and to perpetuate national sovereignty until the end of time, there is a need for a strong and skillful Defense Services. It is an inevitable responsibility to build a strong and skillful Defense Services to secure and defend our country. He said: As physical materials are indispensable for the Defense Services to be strong, the spirit of the comrades is also very important. He then said spirit and discipline are the lifelines of the Defense Services. The comrades must have a spirit of not giving up easily and a spirit to discharge duty with responsibility. The three national causes—nondisintegration of the union, nondisintegration of national solidarity, and perpetuation of national sovereignty—are the belief and pledge of our Defense Services. Our Defense Services have to [word indistinct] these national causes. The Defense Services have to be build upon the training, leadership, welfare, and spirit to become strong and skillful. Only then, will the units and comrades have the five essential qualities—spirit, discipline, loyalty, unity, and efficiency. He told the comrades not to forget that they can defend the country only when they have these qualities.

In conclusion, he solemnly urged the comrades to observe the good traditions of the Defense Services; to carry out dutifully the national political responsibility, which is being shouldered by the Defense Services; to participate in the all-around development of the nation's economy; to strive for a strong and skillful Defense Services to protect and defend our country in accordance with the motto—the nation will have strength only when the Defense Services have strength; and to observe the code of conduct of soldiers.

Dissident Zargana Released From Prison

BK2603142094 Hong Kong AFP in English 0628 GMT 26 Mar 94

[Text] Rangoon, March 26 (AFP)—Burma's best-known comedian, Zargana, has been released after four years in prison as a political dissident, neighbors of his family said Saturday.

Zargana, 33, who trained as a dentist but turned to comedy, gained prominence for his satirical jokes aimed at the former socialist regime.

First arrested briefly as a political dissident in late 1988, he went to jail for the second time in 1990 while helping his mother in her campaign for the May general elections that year.

Neighbors who spoke to Zargana on Friday said he had been delivered to his parents' home by military intelligence personnel just before noon.

He was the latest political prisoner released by the military junta, known as the State Law and Order Restoration Council (SLORC), which has set free more than 2,000 dissidents in the past two years.

National Convention Plenary Session Continues

BK2803105494 Rangoon Radio Burma in Burmese 0630 GMT 28 Mar 94

[Text] The National Convention Plenary Session continued at 0900 this morning in the Central Meeting Hall of the President's Residence compound on Ahlone Road, Yangon [Rangoon].

The plenary session was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission, Vice Chairmen Lt. Gen. Maung Thint and Brigadier General Myo Thant, and commission members; U Aung Toe, chairman of the National Convention Convening Work Committee [NCCWC], Vice Chairman U Tha Tun, and work committee members; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee, and committee members; delegates; and local and foreign correspondents.

U Mahn Ohn Maung of the delegate group representing national races acted as alternate chairperson at the plenary session; Dr. Than Nyunt, Daw May Than Lwin, U San Tha Aung, U Kan Nyunt, U Soe Maung, U Tin Maung, U Khin Maung Htoo, and U Sai Aung Htun acted as members of the Panel of Chairmen; and U Khin Maung Myint, director general of the NCCWC Office and the official in charge of meetings, acted as master of ceremonies.

First, the master of ceremonies announced that 659 of the 694 delegates were in attendance and declared the session a success. According to the agenda, members of the delegate groups read proposals on suggestions for prescribing the fundamental principles of the state, state structure, and head of state chapters that will be included in drafting the constitution.

At the plenary session, U Aung Kham Ti read the proposal on suggestions by the delegate group representing special invitees from Southern Shan State Special Region-6; U Aik Mong read the proposal on suggestions by the delegate group representing special invitees from Northern Shan State Special Region-7; U Kyaw Myint, alias U Win Maung, a special invitee from Namhkam Township, read his own proposal on suggestions; and U Myint Lwin, alias U Walter Kyaw, a special invitee from Kutkai Township, read his own proposal on suggestions. The plenary session then recessed at 1110.

The afternoon session of the National Convention Plenary Session is in progress at the Central Meeting Hall of the President's Residence compound on Ahlone Road, Yangon.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Departs for New Delhi G-15 Meeting

BK2703092594 Kuala Lumpur Voice of Malaysia in English 0600 GMT 27 Mar 94

[Excerpt] Prime Minister Datuk Sri Dr. Mahathir Mohamed today left for New Delhi to attend the G-15 meeting. He was accompanied by his wife, Datuk Sri Datin Paduka Dr. Siti Hasmah. [passage omitted]

Committed to G-15 Objectives

BK2803114094 Kuala Lumpur Voice of Malaysia in English 0800 GMT 28 Mar 94

[Station commentary]

[Text] The Group of 15 [G-15] summit conference due to be held in New Delhi last December had to be postponed. However, it is heartening to know that postponed event has started this week. Malaysian Prime Minister Dr. Mahathir Mohamed and the foreign minister, Datuk Ahmad Badawi, are both in New Delhi. This fact does underscore Malaysia's commitment to the objectives of the Group of 15.

In the context of fast-moving events in our world today, a gathering like the Group of 15 is a firm necessity. This aspect of globalism is always being stressed by Dr. Mahathir. There is no doubt whatsoever that Malaysia will continue to play a leading role in this group. Some critics were skeptical about the postponement. It had even been rumored that the New Delhi meeting might be called off. Malaysia does not subscribe to such negative attitudes. A specific idea that was conceived by the Malaysian prime minister and worked on in detail by a team of officials concerns the establishment of centers of excellence. The New Delhi gathering will deliberate on this innovative concept.

The need to sustain and spread education of high quality is widely acknowledged. For the countries of the South, this is a crucial sector. Malaysia's plan to start such centers in suitable places should receive a positive response from the other states that are attending the New Delhi meeting.

The past few years have witnessed the steady strengthening of the South awareness. New lines of communications have been established. They can confidently forecast that the leaders will review several issues of global concern. They will also map out strategies toward coping with numerous areas of human endeavor. A new wave of confidence in certainly in evidence as far as the South countries are concerned. Their determination to lessen dependence of the North has begun to produce concrete results. Malaysia itself is a good example of the new South. It has succeeded in becoming a highly diversified economy. By the year 2020, Malaysia will be a fully industrialized nation. Therefore, there is no longer any need for the smaller and poorer nations to run to the affluent West for guidance. It is better, in everyone's long-term interest, to interact as much as possible with other member states of the South.

In this connection, the New Delhi meeting is expected to study the present UN set up. Concrete proposals will probably merge for reforming the UN system. Drafted in the aftermath of the Second World War, the UN Charter reflects the power positions and the ambitions of the victorious nations in 1945. The entire international system is in need of change to accommodate the needs of the numerous nations of the South.

Whatever one chooses to call it, the New Delhi meeting will be yet another step forward for the South. Malaysia will give the South the fullest support.

Mahathir Positive on Relations With SRV

BK2603131594 Kuala Lumpur Voice of Malaysia in English 0600 GMT 26 Mar 94

[Text] The prime minister, Datuk Sri Dr. Mahathir, says bilateral relations and cooperation between Malaysia and Vietnam over the past few years have brought positive results to be proud of. Bilateral trade between the two countries, which stood at 235.4 million ringgit in 1991, had increased to 473 million ringgit in the first nine months of last year. Speaking at a dinner hosted for the visiting general secretary of the Communist Party of Vietnam, Mr. Do Muoi, in Kuala lumpur last night, Datuk Sri Dr. Mahathir said many Malaysian companies had ventured in Vietnam. As such, the Vietnamese Government should give consideration to these companies, which should help in its economic growth, by further awarding them projects. He also pointed out that Southeast Asian countries should resolve problems among themselves in a peaceful manner while cooperating with each other to bring about mutual benefit. Everyone must realize the dream of a peaceful, stable, and united Southeast Asian region.

SRV's Do Muoi Concludes Four-Day Visit

BK2703135294 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 27 Mar 94

[Text] Communist Party of Vietnam General Secretary Do Muoi left for home today after a four-day official visit to Malaysia. Do Muoi held talks with Prime Minister Datuk Sri Dr. Mahathir Mohamed on regional and international issues. [words indistinct] general meeting of the Asia Pacific Economic Cooperation council.

The 77-year-old Do Muoi, accompanied by a 33-member delegation, was seen off at the Kuala Lumpur International Airport by Deputy Health Minister Datuk Farid Arifin and Deputy Housing and Local Government Minister Daud Taha. The Vietnamese leader on Thursday pledged Hanoi's commitment in helping to maintain a peaceful Southeast Asia to active participation in regional security and economic cooperation.

Oil Corporation To Cooperate With Vietnam

BK2603154794 Kuala Lumpur BERNAMA in English 1103 GMT 26 Mar 94

[Text] Kuala Lumpur, March 26 (OANA/BERNAMA)—Malaysian national oil corporation (Petronas), is prepared to expand its scope of cooperation with Vietnam, particularly in providing training for Vietnamese in gas and petroleum operations.

Petronas Senior Vice-President (Finance) Mohd Hassan Marican said Saturday the oil corporation had trained more than 200 Vietnamese to date in various aspects of gas and oil operations.

Speaking to reporters after the visit by Vietnamese Communist Party Secretary-General Do Muoi to the Petronas Penapisan (M) Sdn.Bhd. [Malaysia Private Limited] Refinery in Tangga Batu, in Southwestern Melaka state, he said the training was held in Vietnam and Malaysia.

Singapore Signs Agreement on Border Bridge

BK2503135394 Kuala Lumpur NEW STRAITS TIMES in English 23 Mar 94 p 1

[By Esther Tan]

[Excerpt] Kuala Lumpur, Tues. [22 March]—Malaysia and Singapore today signed the Inter-Governmental Agreement (IGA) on the multi-million ringgit [RM] Second Crossing Project scheduled for completion in 1997, to further spur economic growth in both countries.

The new link—a high-level box-girder 2 km bridge—will connect Johor's proposed new township in Gelang Patah to Tuas in Singapore. Ninety percent or a length of 1.6 km to 1.7 km of the bridge will be built by Malaysia and the remainder by Singapore.

There will be a dual three-lane carriageway under the integrated development package which will cost Malaysia about RM 1.6 billion and Singapore S$ [Singapore dollars] 400 million (RM 680 million).

The Malaysian side of the project has been privatised while the Singapore Government will undertake its side of the project.

Malaysia's package is divided into three components comprising the construction of the bridge, the two connecting expressways and the development of the Gelang Patah township. These have been awarded to United Engineers (M) [Malaysia] Bhd [Berhad—private company] under a concession agreement.

Upon completion, Malaysia will introduce the open toll system for those using the new link whereas Singapore has yet to decide if it would do the same.

At present, the only link by land between both countries is the causeway connecting Woodlands and Johor Baru.

"When completed, the new link and ancillary facilities on both sides of the Straits of Johor will help spur economic growth as well as alleviate traffic congestion at the existing causeway and surrounding roads," Works Minister Datuk Leo Moggie said at a joint Press conference at Carcosa Sri Negara today.

Earlier, he represented Malaysia in signing the IGA with Singapore's Acting Minister for National Development and Senior Minister of State for Foreign Affairs Lim Heng Kiang. [passage omitted]

Government Considers Sending More Men to Bosnia

BK2603084794 Kuala Lumpur NEW STRAITS TIMES in English 23 Mar 94 p 8

[Text] Butterworth, Tues. [22 March]—Malaysia will consider sending additional soldiers to join the United Nations Protection Force (Unprofor) in Bosnia-Herzegovina if requested to do so by the UN, Armed Forces chief Jen [General] Tan Sri Borhan Ahmad said today.

However, he said, there had been no proposal yet to despatch extra peacekeepers to the war-ravaged country.

So far, Malaysia's contribution in Unprofor was sufficient alongside the participation of soldiers from several other countries, he added.

He told this to reporters after launching the 13th Air Thamal (Thai-Malaysia) joint exercise between the Malaysian and Thai air forces at the Royal Malaysian Air Force (RMAF) base here. Malaysia has sent about 1,500 soldiers to join the UN peacekeeping force in response to the atrocities committed by Serbs on Muslims in Bosnia.

Ten RMAF aircraft, including five F-5E jets and three OV-10 reconnaissance planes, are taking part in the exercise, an annual series held on rotation between the two countries to strengthen cooperation in operational procedures.

Singapore

Attorney General Says MAS Mishandled Report

BK2503164094 Singapore THE STRAITS TIMES in English 25 Mar 94 p 30

[By Brendan Pereira and Warren Fernandez]

[Text] Tharman Shanmugaratnam committed a series of security breaches which gave private sector analysts an opportunity to obtain secret information, the Attorney-General said yesterday.

Mr. Chan Sek Keong noted that the director of the Monetary Authority of Singapore's [MAS] economics department had handled a secret MAS report "in a most hazardous way" and failed to protect its secrecy.

He urged the court not to believe parts of the evidence the accused had given in court, saying that it contradicted the position he took in a statement to the Internal Security Department [ISD].

Opening the prosecution's submissions yesterday, Mr. Chan noted that Shanmugaratnam had brought a copy of a secret MAS report, which contained the flash estimates, to a meeting with Crosby Securities analysts Manu Bhaskaran and Raymond Foo. This was a breach of MAS security rules, he argued.

The report, he noted, had not been marked "secret". This made it more likely that it would not be handled with the required care, he argued.

It was designed to highlight the flash estimate, had no cover and was not placed in a file, he said.

The only precaution Shanmugaratnam took was to cover the report with a piece of paper.

He made no other effort to ensure that the paper remained in place. He also removed the sheet of paper when he referred to the report during the meeting.

Mr. Chan noted that Shanmugaratnam had argued in court that it did not make any difference whether the document was put in a file or covered with paper. He had said he saw no reason why secret documents should not be brought to meetings with private sector economists. This reflected his attitude towards security rules, said Mr. Chan.

Shanmugaratnam had testified that more important than whether a document was placed in a file or not, was the way it was handled. He was confident he would not give away the data as he did not expect to be careless, he said.

Taking issue with this, Mr. Chan said it was not clear how anyone could "expect not to be careless".

He added that Shanmugaratnam's explanation that he had brought the report to the meeting to refer to the unclassified data in it, showed that he was more concerned about having a useful reference than the need to protect the secret information in it.

He urged the court to reject Shanmugaratnam's statement that he had handled the secret document with more care than other government officials.

During his day-long submission, he also took up the defence's argument that all the memos and reports from the Ministry of Trade and Industry [MTI] containing the flash estimates that had been admitted as evidence had been graded incorrectly or were not graded at all.

Responding, he said that there was a lower degree of risk in these cases than Shanmugaratnam's. Two of these were internal memos, while the third, an MTI report, had been stamped secret and had a cover, he said.

Later, he urged the court not to believe Shanmugaratnam's testimony when he said that he now thought it unlikely that Bhaskaran had sighted the figures when they met at the MAS.

This contradicted a statement he made to the ISD in which he said he could not rule out the possibility that Bhaskaran had seen the data. This statement, he noted, was made before Shanmugaratnam had been charged.

The Attorney-General continues with his submissions on Shanmugaratnam and the other accused today.

Challenges MAS Testimony

BK2703122294 Singapore THE STRAITS TIMES in English 26 Mar 94 p 27

[By Warren Fernandez and Brendan Pereira]

[Text] The Attorney-General [A-G] yesterday challenged Tharman Shanmugaratnam's account of a meeting with private sector analysts, saying he could not remember the details when questioned by Internal Security Department (ISD) officers two years ago.

As such, his recollection in court of the events of June 1[illegible], 1992 was based on a hypothetical situation, said Mr Chan Sek Keong.

He said that Shanmugaratnam's testimony on how he acted or handled official documents during the meeting was "given mostly in terms of what he would have done instead of what he had already done."

The A-G made these points while continuing his submissions against the Monetary Authority of Singapore (MAS) director of the economics department.

The accused's statements to the ISD showed that he could not remember whether he had taken a draft report containing the flash estimate into the meeting with Crosby Securities economists Manu Bhaskaran and Raymond Foo. He also could not recall if the document was covered during the meeting at the MAS building.

The A-G said that much of Shanmugaratnam's memory of that meeting was recalled for him by his MAS colleague Chan Chia Lin, a prosecution witness.

He said that when the incident arose, Shanmugaratnam had no clear idea of what happened. Two years later, he came to court and gave his version of what he said he recalled.

This testimony, said the A-G, was based on a "would have been" situation.

He read out a few excerpts of the accused's testimony in court yesterday to illustrate his point.

For example, when saying how he handled the draft report during the meeting, Shanmugaratnam said. "From the moment I placed the report down, it would have been covered. I would only have to remove the paper after I lifted it from the table to refer to it."

The A-G said that except for one answer, all the others were on the basis of what "he would have done."

"The accounts are expressed in terms of a customary or usual behaviour" and cannot refute Shanmugaratnam's admission in a statement that Bhaskaran could have seen the figure of 4.6 per cent from the draft report.

Cambodia

Sihanouk, Ministers on Government Activities

BK2503130094 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 25 Mar 94 pp 1, 2

[Text] An official who requested anonymity said that King Norodom Sihanouk has granted an audience to two officials of the royal government to discuss a "serious matter." These two officials are also due to report to the king on the latest developments in the royal government's activities.

The two officials are Prince Kromkhun Norodom Sirivut, deputy prime minister of foreign affairs and international cooperation, and Sam Rangsi, minister of economy and finance. The prince deputy prime minister and the minister left Phnom Penh on 22 March.

It is worth noting that the trip to Beijing by Prince Kromkhun Norodom Sirivut and Sam Rangsi was made hot on the heels of the 22 March visit to the king by Samdech Hun Sen, second prime minister, and the return from Beijing of Samdech Chea Sim on 21 March. All these visits were not announced officially. It is not known what the issue is that the officials referred to as a "serious matter." However, analysts have focused on an important issue, namely the alliance between the two big parties, the Cambodian People's Party and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia].

There is happy news, that is, the king has been discharged from Beijing hospital. His spokesman told the REUTER Beijing correspondent that "the treatment was successful; the king can walk and do other things." Western diplomats in Beijing said that after his cancer treatment the king has lost his hair but put on weight.

The king plans to travel to Pyongyang at the end of March and then to Cambodia on 8 April.

'Forced Repatriation' Angers Foreign Minister

BK2703090894 Hong Kong AFP in English 0759 GMT 27 Mar 94

[Text] Phnom Penh, March 27 (AFP)—Cambodian Foreign Minister Prince Norodom Sirivut on Sunday strongly protested Thailand's "forced repatriation" of Cambodian refugees fleeing fighting in the northwest.

The Thai military continued sending the 25,000 Cambodians back over the border into Khmer Rouge-held territory, but was encountering resistance from some refugees who did not want to go, according to traders at the border.

Phnom Penh had asked Bangkok to allow free access to the International Committee for the Red Cross (ICRC) and the United Nations High Commissioner for Refugees (UNHCR) in order to determine if the refugees wanted to return to areas controlled by the Cambodian government.

But the Thai military kept the Cambodians in an area closed to outsiders, and has not let foreign aid agencies or independent observers interview them.

"The Thai authorities have not listened to our request," Prince Sirivut said.

"I think it is a human rights abuse from some people or Thai authorities, and I would like to say clearly that the Royal Government ... and the two prime ministers, we are not happy about this," Prince Sirivut said.

"We think it is a forced repatriation," he added.

At least half of the refugees, according to Thai soldiers, were repatriated to a Khmer Rouge-held zone following the Phnom Penh government offensive against the Khmer Rouge bastion of Pailin in northwest Cambodia. Pailin is Cambodia's most important mining center for rubies.

"It is not normal that the Thai authorities take this decision to send 25,000 people without security, with nothing we can check," the prince said.

"I'm quite disappointed and I asked all the international community to look very carefully in this way," he said.

"In particular, we have requested the presence of the UNHCR," the prince said.

Sagato Ogata, the UN high commissioner, made, without success, an official request Friday to the Thai government for access to the refugees, the UNHCR in Phnom Penh said.

The refugees began streaming out of Khmer Rouge zones of control around Pailin following a government offensive that captured the resource-rich area last week.

The repatriation was launched Friday night by the Thai military and continued Sunday and Monday, a source on the Thai side of the border said.

According to an unconfirmed report, the Thai military may have culled out the young men and the able-bodied and repatriated them first by truck, to the Khmer Rouge-controlled zone of Phoum Malai, 45 kilometers (28 miles) to the north.

Thai troops are regularly accused of aiding the Khmer Rouge at the border, an accusation strongly denied by Bangkok.

Prince Sirivut said he would still meet to discuss the issue as planned Monday with his Thai counterpart in Bangkok, Prasong Sunsiri, with whom discussions on the repatriation of the refugees had been anticipated.

The minister hinted that Thai requests for an extension of the March 31 deadline for the return of timber harvested by Thai loggers in the Pailin area—concessions granted by the Khmer Rouge—would be carefully examined.

The request was conveyed Tuesday to Phnom Penh by the Thai vice minister of foreign affairs, Surin Phitsuwan, who asked for the return to Thailand of expensive mining equipment as well as cut timber left in place before the advance of government troops.

General on End of 'Close' Ties With Khmer Rouge

BK2503124894 Hong Kong AFP in English 0900 GMT 25 Mar 94

[By Sombat Reach]

[Text] Pailin, Cambodia, March 24 (AFP)—The fall of Pailin to Cambodian soldiers last weekend may mean the end to cosy ties between the Khmer Rouge guerrillas and the Thai military, General Kieng Sokun said Friday.

Standing in a street in the town that had been Khmer Rouge headquarters in northwest Cambodia, the general referred to allegations—disputed by Bangkok—of Thai military assistance to the guerrilla faction.

"I think the capture of Pailin may signal the end of the close, lucrative relations between the Thai military, Thai businessmen and the Khmer Rouge," General Kieng Sokun said.

The Khmer Rouge financed their guerrilla organization by selling gem-mining and logging concessions to primarily Thai businesses, many of which were allegedly controlled by or had links with the Thai military.

Government officers earlier charged the Thai military had transported fresh guerrillas along the border to help in the recent counter-attack at Anlung Veng, another major Khmer Rouge base that the government captured and then lost.

Signs of Thai presence were everywhere in Pailin. Road signs in both Khmer and Thai languages reminded drivers to "keep right"—Thais drive on the left side of the road—and logs throughout the area bore signs in Thai indicating the quality of the wood.

Large craters left by the search for gems scarred the area.

One general said 85 Khmer Rouge guerrillas had been killed since soldiers reached the area March 19, and troops had seized more than 100 tons of ammunition, several hundred tons of rice and 1,021 weapons and one T-54 tank.

General Pol Saroeun, deputy chief of the general staff who had arrived by helicopter to move his command post into Pailin, said government casualties were light but gave no figures. Mines, malaria and water poisoned by the guerrillas were the main problems, he said.

Unusually heavy rains hampered the troops' progress but also provided safe drinking water.

General Pol Saroeun said it was premature to think the guerrillas were defeated.

"Even though the Khmer Rouge will not be able to make new money from gems, rubies or selling logs in this area, I think the money they have earned already could still help them buy new weapons to counterattack us," he said.

But another general said the government forces had dealt the radical Khmer Rouge a major blow and vowed to hold the resource-rich region forever.

"If we cannot hold this place forever, we do not deserve to be called the Royal Cambodian Armed Forces," General Kieng Sokun said as he stood in Pailin's main street outside a luxurious, three-story building believed to be a hotel where important visitors had been housed.

Opposite the hotel was a garden with manicured lawns, bouganvilla and assorted ornamental flowers. Down the road was a cinema hall and a newly built hospital.

There were only several hundred troops in Pailin, but General Pol Saroeun said there were about 4,000 men around the rebel base and the hills along the Thai border to the west.

An AFP reporter could hear only sporadic shelling in the hills behind Pailin. There was occasional gunfire in the town from soldiers shooting in the air in celebration.

Soldiers also rode bicycles left by fleeing guerrilla families and collected booty from abandoned houses. One group leaving the city had a cow in tow, and live chickens and ducks were tied by their feet to the soldiers' AK-47 assault rifles.

Government Statement on Policy Toward Pailin

BK2503155894 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 25 Mar 94

["Royal Government Statement on Administering and Developing the Pailin Zone"; dated 25 March—read by announcer]

[Text] After a number of units of the Khmer Royal Armed Forces [KRAF] overcame many difficulties and obstacles to recently control the Pailin zone, which is a large and strategic position under the illegal administration of Khmer Rouge leaders, the royal government has taken many measures including making efforts to set up administrative structures to consolidate the defense and administration of the Pailin area.

Considering the role and importance of the Pailin area in the fields of politics, psychology, economics, and foreign affairs, and in a spirit of high responsibility for the destiny of the population in general and of the entire Cambodian people, the Royal Government of Cambodia [RGC] has decided to make the Pailin area a development zone.

With this noble goal, along with preparations to organize various tasks, the RGC has the honor to issue the following official statement.

1. Concerning the army officers and men who are currently still under the Khmer Rouge leadership, the RGC continues to pay attention to their destiny, rights, freedom, and interests, that is, by the royal government issuing successive appeals.

Therefore, Khmer Rouge officers and men who have been dispersed in the Pailin area, please hurry and show yourselves to the KRAF and relevant authorities present in the area. You will receive attention and protection for your lives, rights, interests, position, and role—the same as the royal government has given thousands of former officers and men who have awakened and joined the royal government.

2. Concerning any compatriots who have been threatened and forced by the Khmer Rouge to go with them, the royal government is paying considerable attention to your difficult and arduous life. Please endeavor to solve the problem in line with the royal government's appeal issued on 4 March 1994, namely get in touch with the KRAF in order to free yourselves from the grip of the Khmer Rouge group. The royal government will set up relevant authorities to receive you and organize appropriate living conditions for you by legally granting you land and housing.

3. As for compatriots who have fled to live temporarily on the territory of the Kingdom of Thailand, the RGC will directly get in touch with the representative of the Royal Thai Government to accept you back to the territory of the Cambodian motherland. For those compatriots who want to continue living in the Pailin area or who want to change to other places, the RGC will do all it can to accommodate your wishes.

In this respect, the RGC would like to welcome various international organizations, such as the HCR [High Commission for Refugees] and the International Committee of the Red Cross, who have volunteered to provide assistance to the RGC.

4. As for Thai companies and investors who signed business contracts with the Khmer Rouge group in the Pailin area, the RGC would like to solemnly inform them that the RGC will genuinely guarantee their interests by recognizing their rights in the contracts in the event that the owners of these companies (?put forward proposals) to the RGC. The RGC hopes, and is firmly convinced, that the royal government will receive a welcome and wide support and assistance from national and international public opinion for the this noble cause.

[Signed] First Prime Minister Prince Krompreah Norodom Ranariddh
Second Prime Minister Samdech Hun Sen
[Dated] Phnom Penh, 25 March 1994

Khmer Rouge Reports on Pailin Situation

BK2703102094 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Mar 94

[Text] Report from the Pailin battlefield on 22, 23, 24, and 25 March:

I. On 22 March, the invading forces of the communist Vietnamese puppets and the two-headed government struggled to reach Pailin from the east, that is from Phnum Srang and Suosdei, with infantry troops after being heavily attacked for many days.

II. Here is the situation on the Pailin battlefield on 23 March:

1. Major communications lines of the invading forces on the north from Phnum Kon Damrei to Sala Krau were completely cut by the people and the National Army of Democratic Kampuchea [NADK] with mines and with attacks to cut off many road segments. Trucks and tanks were bogged down due to rain. The invading forces' supplies from the north were completely cut off along the Mongkolborei River, from Kamping Puoy, and from Snoeng and Sdau. The invading forces at Sala Krau are running short of fuel, ammunition, and food supplies. Troops, therefore, have deserted the battlefield and also have been surrounded and are constantly attacked by the people and the NADK. They cannot move forward or retreat.

2. On 23 March, nearly 1,000 soldiers of the invading forces who reached Pailin deserted the town partly because there is nothing in Pailin. Furthermore, the invading forces were being surrounded and constantly fired upon by big and small artillery pieces.

III. On 24 and 25 March, the new road of the invading forces from Suosdei to Pailin was completely disrupted by mines and attack groups who cut this road at many places. This road goes through dense forest. The invading troops cannot leave the road, particularly trucks and tanks. The ground is soft due to rain over the past more than 10 days.

IV. Two strategic and important roads have been cut: the northern road from Phnum Kon damrei to Sala Krau and the southern road from Suosdei to Pailin. This is like cutting the throat or the arteries of the invading forces, similar to cutting National Routes 1, 2, 3, 4, 5, 6, and 7 in 1971-74, and in particular blocking the Mekong River in February, March, and April 1975. It is similar to cutting transport roads No. 68 from Samraong to Anlung Veng in February and in early March 1994. It is similar to Dien Bien Phu and Stalingrad.

V. Communications and transport routes of the invading forces have been strategically cut, first of all, by the people and the NADK. Along with this, attacking and raiding forces have been set up within Pailin perimeter and Sala Krau. Attacks have been launched at will against the enemies who are like fish caught in traps.

Because rats are clever in stealing, bait has been left in traps to catch them. They are caught in the traps. Rats trapped in cages will die regardless of the movements and shrieks they make.

MORNING NEWS Editor Released on Bail

BK2503131294 Hong Kong AFP in English 1245 GMT 25 Mar 94

[Text] Phnom Penh, March 25 (AFP)—Nguon Non, the founder and political editor of the biweekly Morning News was released on bail Friday after two days under arrest, he said here.

Ngoun Non, who was charged with libel after publishing several articles alleging official corruption, was a senior official in the cabinet of co-prime minister Prince Norodom Ranariddh until he founded his newspaper at the beginning of this month.

He was the first journalist to be arrested since last year's departure of the United Nations Transitional Authority in Cambodia.

He had been arrested while at the offices of his newspaper, one of the most widely read in Cambodia with a circulation of 30,000, for failing to respond to two separate court summons.

The arrest came shortly after an assurance by King Norodom Sihanouk that freedom of the press should be guaranteed in Cambodia.

A new press law is being prepared by the government.

Indonesia

Suharto Departs for G-15 Summit in New Delhi

BK2703102294 Jakarta Radio Republik Indonesia Network in Indonesian 0500 GMT 27 Mar 94

[Text] President Suharto is scheduled to arrive at Palam Air Force Base, New Delhi, India at 1530 West Indonesia Time or at 1400 local time. From the Indian air force base, the head of state will head for Rastrapati Bhavan, the Indian presidential residence, where he will be accorded an official state ceremonial welcome by Indian President Sankar Dayal Sharma. The national anthems of the two countries will be played during the welcoming ceremony and President Suharto will inspect a guard of honor.

President Suharto and delegation, who left this morning via Halim Perdanakusumah International Airport at 0855 West Indonesia Time, are expected to be in India until 30 March 1994.

President Suharto, who represents the Asian regional countries, is scheduled to deliver his address tomorrow at 1030 Indian time or 1200 West Indonesia Time [0500 GMT] at the Fourth G-15 high-level conference at the Assembly Hall in New Delhi.

Naval Exercise Unrelated to Islands Dispute

BK2603084594 Jakarta ANTARA in English 1334 GMT 25 Mar 94

[Text] Jakarta, March 24 (ANEX-ANTARA)—Indonesia's biggest naval wargame codenamed "Armada Jaya XVI/94" presently taking place in Singkep island off Riau waters which began Thursday up to April 5 has no connection with the issues on Sipadan and Ligitan islands dispute.

The wargame, which involves some 23 warships and no less than 2,000 marines, is conducted yearly by the navy and that it has nothing to do with the islands' dispute between Indonesia and Malaysia, Western Fleet Commander Rear Admiral Suratmin of Indonesia told reporters here after seeing off the troops and warships heading for the wargames.

Suratmin also made a stress that the wargame is not a show of force.

Accompanied by the wargame director naval Commodore Widodo A.S., Suratmin stated the the naval exercises are basically aimed at improving the navy's operational ability in using the fleet's integrated weaponry system.

Asked about the designated site for this year's wargame, he said the navy has several times used the location as its site, particularly for its amphibian landing group force.

The final activity of the wargame will be marked by the landing of the amphibian force on the island on March 29 which will be witnessed by Defence and Security Minister General Edi Sudrajat and the Armed Forces commander-in-chief, Gen. Feisal Tanjung.

For the first time, three non-military ships, namely a tanker of the state-owned Pertamina oil company and two ships of the Sea Transportation's Directorate General are being deployed in the wargame.

The participation of the non-military ships is considered as the initial stage of the implementation of the "Wawasan Nusantara", an archipelagic concept, and the "Hankamrata", a public security system which involves the whole national potentials.

The 23 warships participating the wargame consist of frigates, corvettes, patrol boats, minesweepers, submarines, tankers and landing ship tanks.

Laos

Deputy Prime Minister's Views on MIA Issue [KPL]

BK2803104894 Vientiane KPL in English 0908 GMT 28 Mar 94

[Text] Vientiane, March 28 (KPL)—Deputy Prime Minister Khamphoui Keoboualapha on March 26 received a visiting delegation of the National League of Families of the U.S.A.

The delegation was headed by Ms. Ann Mills Griffiths, executive director of the league. At the meeting, the head of the delegation informed Lao Deputy Prime Minister Khamphoui Keoboualapha, who is also president of the Committee for Planning and Cooperation, about the outcome of its current visit to Laos.

Khamphoui Keoboulapha talked with the delegation about several important issues, especially the state of social and economic development in Laos during the renovation process. He reaffirmed the consistent policy of the Lao PDR [Lao People's Democratic Republic] government concerning its relations with all countries in the world, with emphasis on the United States of America. He said the Lao Government always desires to promote the good relations of friendship with the U.S.A., reflecting in the issue of MIAs.

The deputy prime minister also pointed out that the Lao Government and people conduct the humanitarian policy providing good cooperation to the U.S. side (?in searching) for the remains of Americans missing in action during the war time.

On the same day evening, the American delegation also visited Foreign Minister Somsavat Lengsavat, who also discussed with the delegation about the MIAs issue. The Lao foreign minister confirmed the good-will and sincerity of the Lao Government in implementing its humanitarian policy, especially its good cooperation with the U.S. side in searching for MIAs.

Prime Minister, Thai Minister on Energy Pact

BK2603083994 Vientiane KPL in English 0904 GMT 25 Mar 94

[Text] Vientiane, March 25 (KPL)—Mr. Khamtai Siphandon, prime minister of Laos, yesterday afternoon, met here the visiting minister to the Prime Minister's Office of Thailand, Dr. Sawit Phothiwihok. The Lao prime minister talked to his guest about the (?development of the bilateral) relations of friendship and cooperation. The discussion specifically centered on the implementation of the memorandum of understanding on hydroelectric power generation signed between Laos and Thailand in Vientiane on June 6, 1993.

The Lao prime minister expressed his hope that cooperation in various fields between the two countries, such as in energy generation, tourism, and investment, would further be expanded for mutual benefits of both peoples.

Accompanying the Thai minister to meet Mr. Khamtai Siphandon was Mr. Phao Bounnaphon, minister to the Prime Minister's Office.

Prior to his meeting with the Lao prime minister, Dr. Sawit Phothiwihok called on Mr. Khamphoui Keoboualapha, vice prime minister and president of the Committee for Planning and Cooperation. Dr. Sawit Phothiwihok also had discussions with Mr. Soulivong Dalavong and Mr. Khammon Phonkeo, respectively minister and deputy minister of industry and handicrafts. [passage indistinct]

Prime Minister Receives French Minister

BK2603145094 Vientiane KPL in English 0903 GMT 26 Mar 94

[Text] Vientiane, March 26 (KPL)—Lao Prime Minister Khamtai Siphandon, at yesterday afternoon's meeting with State Minister, Minister of Social Welfare, Health and Towns Mrs. Simone Veil, highly assessed the visit to Laos by the French Government's member and hoped that her visit would contribute to further enhancing the bilateral relations of friendship and cooperation between the two countries.

Mr. Khamtai Siphandon hoped that her visit, despite being brief, would give the minister a better insight of the country as it was implementing the policy of renovation. The Lao prime minister wished that her visit to Laos would be fruitful for the benefits of both sides.

Yesterday afternoon, Mrs. Simone Veil visited the Mahosot hospital and had an exchange of views on health issue with officials of the hospital.

Russian Paper Hails Country's Achievements

BK2703111094 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Mar 94

[Text] A Russian newspaper on 24 March carried an article hailing the achievements made in various fields by the Lao People's Democratic Republic [LPDR], especially in economic development. The newspaper pointed this out in particular following the recent visit to Russia by Somsavat Lengsavat, LPDR foreign affairs minister.

The newspaper said that the relations between Russia and Laos at the governmental level was suspended for some time. But now these relations have been restored. It noted: Russian Foreign Affairs Minister Andrey Kozyrev and Lao Foreign Affaires Minister Somsavat

Lengsat held talks in Moscow in early March. As a result of the talks, in addition to revitalizing past relations, the two sides also signed a treaty on fundamental relations and an agreement on cultural, scientific, and technical cooperation between the two countries. The paper went on to say that implementing an open-door policy and mechanisms of the market economy, Laos achieved peace and development. This policy has brought self-sufficiency in food supply and monetary stability to Laos and has reduced its inflation rate to only between 5 and 10 percent. Comprehensive changes in the social sector have also contributed to bolstering Laos' economic relations with other countries. Laos is currently utilizing foreign investment to build the infrastructure and to expand communications routes to the neighboring countries, namely Vietnam and Thailand.

Editorial Hails Visit by Malaysian Delegation

BK2703100894 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Mar 94

[PASASON Editorial: "We, Lao People, Wholeheartedly Hail and Welcome the High-Level Delegation of the House of Representatives of Malaysia"—date not given]

[Text] At the invitation of His Excellency [H.E.] Saman Vi-gnaket, chairman of the National Assembly [NA] of the Lao People's Democratic Republic [LPDR], H.E. Datuk Mohamed Zahir Ismail, speaker of the House of Representatives of Malaysia [HRM], and a high-level HRM delegation will pay an official friendship to the LPDR from 27 to 30 March.

The multiethnic Lao people nationwide, especially residents of Vientiane and members of the LPDR NA, are very pleased and extremely exuberant to have the honor to welcome H.E. the speaker and the high-level delegation of the HRM.

The visit to the LPDR by H.E. the speaker and the high-level delegation of the HRM takes place after several delegations of the LPDR and Malaysia at various levels have exchanged visits with one another, especially delegations concerned with the economic and cooperation sectors of the two countries. Therefore, it can be said that the visit to the LPDR by H.E. and speaker and the high-level delegation of the HRM tomorrow is very significant and will contribute to strengthening the long-standing relations of friendship and cooperation of good neighborliness between the two countries and peoples of Laos and Malaysia, especially to developing and increasing the relations and cooperation between the legislative organizations of the two countries.

The relations of friendship and cooperation as good neighbors between the two countries and peoples have existed since ancient times. The Lao people always follow with profound interest the development of Malaysia. Lao and Malaysian peoples share similar traditions, customs, and characteristics. We cherish peace, self-mastership, national sovereignty, progress, and social justice. We detest aggression, interference, and exploitation of other countries. Nonetheless, our two countries were once victims of foreign aggression and occupation. Therefore, both Lao and Malaysian peoples encountered the same fate in the past.

Through the arduous and prolonged struggles for national liberation and independence, the Lao and Malaysian people deeply appreciate the value of peace, freedom, and national independence. We also realize the utmost importance of the genuine friendship and cooperation for mutual benefits in the relations of our two countries and legislative institutions.

With regard to the issue of promoting peace, friendship, and cooperation among the countries in Southeast Asia, we are of the view that Malaysia has played an important role in this initiative and has actively carried out activities regarding this issue, notably in initiating a plan to turn Southeast Asia into a region of neutrality, creating the economic grouping of the eastern Asian countries, and implementing the Vision-2020 policy outlined by H.E. Prime Minister Datuk Mahathir bin Mohamed.

The success expected from the official friendship visit to the LPDR by H.E. Datuk Mohamed Zahir Ismail, speaker of the House of Representatives of Malaysia, and his delegation will open a new era for the legislative institutions of the two countries to normalize and broaden mutual relations and cooperation and to more frequently exchange visits by delegations at various levels. The delegations can draw experience and lessons from one another aside from the current development of cooperation in various fields between the governments of the two countries.

We hope that the friendship visit to the LPDR by H.E. the speaker of the HRM and its high-level delegation will be a brilliant success.

Loan Agreement Signed With Sweden

BK2603143794 Vientiane KPL in English 0820 GMT 26 Mar 94

[Text] Vientiane, March 26 (KPL)—The Nordic Development Fund (NDF) has signed here an agreement to release a U.S. $6.5 million loan to Laos' communication sector.

The loan is to be used in the construction of nine new bridges on Road 13-south between the ferry point to Pakkading. The Swedish International Development Authority (SIDA), in this connection, also agreed to give a grant of six million kronas for hiring experts to supervise the construction of the bridges.

The signing of the agreement was done following the review of the cooperation in the field by SIDA mission and the Lao Ministry of Communication, Transport, Post and Construction [CTPC] carried out recently. Signing the memorandum of understanding were Mr. Khamlouat Sitlakon, deputy minister of CTPC and the charge d'affaires of Sweden to Laos, Mr. Rolf Carlman.

Philippines

Romulo Views U.S. Disputes With Tokyo, Beijing

BK2503125794 Manila BUSINESS WORLD in English 23 Mar 94 p 3

[By Paul N. Villegas]

[Text] Amid reports on the possible breakdown of trade talks between the United States and Japan and Washington's perceived threat of withdrawing most favored nation (MFN) status on China over human rights issues, Foreign Affairs Secretary Roberto Romulo reiterated the Philippines' concerns for an early conclusion of the aforementioned conflicts.

Mr. Romulo raised this matter after meeting with his counterpart, Foreign Minister Prince Mohamed Bolkiah of Brunei and Abdul Rahman Bin Mohamed Taib, Minister of Industry and Primary Resources in the tiny oil-rich state, the other night.

Mr. Romulo said Washington's trade conflicts with Tokyo and Beijing are counterproductive to the collective efforts of the Asia Pacific Economic Cooperation (APEC) in helping realize the organization's desire to facilitate the flow of trade among its 17 members.

"The countries in the region cannot help but be affected by these difficulties," the foreign affairs chief said, as trade talks between the United States and Japan, as well as those between the United States and China, seem to have been inconclusive and have failed to adequately address the concerns of the parties.

He called on Washington, Tokyo, and Beijing to view their bilateral trade issues in the context of further encouraging trade and economic development in the region. "The Philippines is calling on all parties concerned to come to terms and resolve these trade issues before it adversely affects the stability of the region," he added.

The United States and Japan have been trying to address the latter's massive trade surplus over the former. On the other hand, Washington has been linking the granting of MFN status to the alleged failure of Beijing to prevent human rights violations in China.

Mr. Romulo earlier raised these concerns during the recent call on him by Australian Trade Minister Bob McMullan in the country.

"Countries in the region are all trying to agree on the kind of process we should take in order to solve trade problems affecting us instead of having two of our largest trading partners go directly head on with each other in ways that are not of interests to other economies on this side of the globe," the Australian Trade Minister earlier said.

In an interview with BUSINESS WORLD before departing for Kuala Lumpur last Saturday, Mr. McMullan said Australia wants the nascent APEC to become "more effective" by promoting trade liberalization in the region.

He said Canberra's priorities at the moment regarding APEC's role in the region is focused on addressing trade matters that would help developing countries benefit from their trade relations with the industrialized ones.

Although Australia has been vocal on the institutionalization of APEC, Mr. McMullan said Canberra does not see this move as a priority at the moment.

"A lot of people in Asia have different views on this," he said, referring to the proposed transformation of APEC into a more formal structure.

"Australia is quite relaxed on the institutionalization of APEC. We don't want to press too far on that," he added.

"Whether we come to agree on this matter or not, the best way to address APEC's future direction is to do it by consensus. No single (member) country in APEC pretends to have all the answers on APEC's future. Everyone's searching. Whether APEC becomes institutionalized or not is unimportant ... although the establishment of a Secretariat in Singapore seems to indicate that APEC is probably becoming institutionalized already," the Trade Minister said.

He said Australia would rather have two sides of the Pacific work together instead of being in conflict with each other.

"That is essentially our priority. If the best way to realize APEC's goals is to institutionalize the organization, then, so be it. But if it's not that necessary, then it's not a priority for us," said Mr. McMullan.

APEC groups together Australia, Brunei, Canada, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, Taiwan, Thailand, South Korea, and the United States. Chile is expected to join the organization when the APEC ministers meet this November in Indonesia for their annual talks.

Ramos Previews Vietnam Visit, Bilateral Issues

BK2803083194 Quezon City Radio Filipinas in English 0230 GMT 28 Mar 94

[Speech by President Fidel Ramos prior his departure for Vietnam at Ninoy International Airport in Manila on 28 March—recorded; passages within slantlines in Tagalog]

[Text] At the gracious invitation of President Le Duc Anh of the Socialist Republic of Vietnam, I leave today on a three-day official visit to Hanoi and Ho Chi Minh City with a small official delegation. Accompanying us are four members of my cabinet, three senators and two congressmen, the president of the University of the

Philippines, and a business delegation of our most prominent industrialists and traders.

This trip reciprocates Prime Minister Vo Van Kiet's visit to our country three years ago. I regard this visit as one of the most significant I have made. Vietnam is one of our closest neighbors. It is less than two hours away across the South China Sea. Our two countries are alike in terrain, area, natural resources, and population. Our cultural connections date back at least a thousand years, and our struggles against colonialism and foreign conquest were inspired by the same ideals of freedom and national independence. But in the course of history, we adopted different ideological systems for organizing our national societies. The Cold War and the Indo-China [words indistinct] raised even greater barriers between our two countries. Today, mutual goodwill between our two countries have brought down those barriers. Our paths converge again on the road to self-sustaining economic growth, and our two countries today seek national security and regional stability, neither in military alliances nor in accumulating weapons but in friendly consultation and economic cooperation with neighbor countries.

With Vietnam and the other Southeast Asian states, our country has a shared destiny. We have found that there is no alternative to peace and economic cooperation among us in this region. Over the next generation, Vietnam is certain to become one of Southeast Asia's most important states and a major force in the regional balance of power. Its incorporation in the Association of Southeast Asian Nations, ASEAN, is an imperative of Southeast Asian peace, security, and prosperity. In Manila in July 1992, Vietnam acceded to the Bali Treaty of the ASEAN States, which binds its signatories to settle regional disputes peaceably. Vietnam's full membership in ASEAN is now a matter no longer of policy or principle, but merely of time and procedure. Even now, Vietnam already takes part in a wide range of ASEAN cooperative activities. For instance, it is a part of the ASEAN Regional Forum, to which ASEAN and friendly outside powers consult on regional security.

The Philippines took the initiative of wholeheartedly supporting Vietnam's membership in ASEAN and its associated institutions. We have also consistently supported Vietnam's efforts to re-establish normal relations with the global community and to secure membership in international financial and political organizations. Philippine-Vietnamese relations are a critical force for the solidarity of Southeast Asia and consequently for peace and progress of the Asia- Pacific region. I am confident that this visit, the first by a Philippine president to the Socialist Republic of Vietnam, will advance this relations substantially.

The facets of our bilateral relationships are many and increasing. There are, therefore, important things for my delegation to discuss with Vietnam's leaders. There is the security of East Asia and the Pacific. Its present status can now be enhanced cooperatively by the nations of the region. I shall be exploring avenues of possible cooperation between our two countries in seeking a breakthrough to the multiple competing claims to the Spratlys archipelago in the South China Sea. Perhaps a joint venture in marine research of the islands related to ocean research, weather forecasting, and environmental protection, and participated by all the claimants, for a start of the confidence-building mechanisms that we need to settle these claims for our mutual benefit. [sentence as heard] There are other creative proposals that I intend to discuss with our Vietnamese neighbors. Then, there is the new thrust in economic cooperation which ASEAN has undertaken. Through the ASEAN Free Trade Area or AFTA, to which a talented and hardworking Vietnamese people have a great deal to contribute.

I look forward to inform the leaders of Vietnam of the political consolidation and economic reforms that we are undertaking in our country and the results these measures have so far achieved in our overall effort to open our economy to market forces and to global competition. In turn, I hope to learn from them the workings of their own economic renovation or doi moi which has made Vietnam one of the fastest growing economies in the world this past seven years. The lifting of the American trade embargo last month and the American investment it is expected to bring should both speed up the pace and broaden the scope of its economic growth. The increasingly favorable economic situation in Vietnam should also make it easier for our two countries to find a durable solution for the problem of Vietnamese asylumseekers in the Philippines.

Great potentials for economic cooperation between our two countries are opening up. My delegation will look into possibilities of counter trade, investments, complimentation, and joint-ventures in each other's economies. We shall offer the Vietnamese the help of our industrialists, managers, and technologists in rebuilding their infrastructure and telecommunications systems, planning their new cities, and managing their tourist facilities. There should also be great room for collaboration between us in education, language training, and training of technical people. We shall be proposing the activation of our joint commission on trade and economic cooperation.

The business leaders in my delegation intend to identify with their Vietnamese counterparts specific products that we can profitably exchange in the light of the present low level trade between our two countries and of the prospects offered by the growth and diversification of our respective economies. There are opportunities also in agriculture and in agricultural research. Like our country, Vietnam is a major producer and exporter of agricultural products. We can operate also in promoting tourism, both from our neighbors and from outside the region. There is also much room for collaboration in science and technology, in education, and public health. We have much to learn from each other.

I expect to discuss these prospects with President Le Duc Anh, Prime Minister Vo Van Kiet, General Secretary Do Muoi of the ruling party and the country's other policy-makers and its private sector. Finally, I look forward to visiting with a small but growing community of Filipino businessmen and professionals in Hanoi and Ho Chi Minh City.

This, then is a historic visit to a very important neighbor, a neighbor destined to become even closer to us bilaterally and in ASEAN. My dear countrymen, we leave our beloved Philippines in a good situation and in good hands. I ask you to pray to the Almighty for the success of our mission and for our safe return two days from now. *Long live the Philippines. Thank you very much to all of you.*

Ramos Sees 'No Need' To Send Troops to Korea

BK2503133494 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 25 Mar 94

[Text] President Ramos said today that there is no need to send Philippine combat troops to Korea in view of the threat of war there. According to the president, there is no need to panic, and he gave assurances that the Department of Foreign Affairs and the Philippine Embassy in Seoul have already prepared contingency plans for Filipino workers there. Ramos emphasized that the Philippines supports all of the peace efforts to resolve the Korean crisis.

Ramos Signs Amnesty Proclamation for Rebels

BK2503125894 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 25 Mar 94

[Text] President Ramos today signed two proclamations granting amnesty to all rebels who have committed offenses or crimes against public order or in pursuit of their political objectives, and to the Armed Forces of the Philippines and Philippine National Police personnel who have violated the revised Penal Code. Ramos said the two proclamations he signed are based on the recommendations of Justice Secretary Franklin Drilon, Defense Secretary Renato De Villa, and Rafael Alunan III, secretary of the Department of the Interior and Local Government.

[Begin Press Secretary Jesus Sison recording, in progress, in English] ...as an anchor of political, economic, and social stability and development has steadily moved forward with the overwhelming acceptance and support of the Filipino people. We shall enhance and hasten this process. We're addressing, among other things, the legal status of the main rebels and insurgents who have already returned or have expressed their desire and readiness to return to the legal fold and join the mainstream of Philippine society, the president said.

He added: We also recognize that our men in uniform have, or may have, committed punishable offenses, punishable offenses in relation to their carrying out of counterinsurgency and law enforcement operations. An amnesty is extended to them as well, so as to promote an atmosphere more conducive to the attainment of a just, comprehensive, and lasting peace. [end recording]

Thailand

Columnist Criticizes U.S. Human Rights Policy

BK2703092294 Bangkok THE SUNDAY POST in English 27 Mar 94 p 22

[By Phaisan Sicharatchanya "From The Editor's Desk" column: "Clean Up Your House, Mr Shattuck, Before Telling Us What To Do"]

[Text] The U.S. government once again is wielding the big stick as the global moral-standard bearer on human rights. After castigating countries in Asia and other regions for their suppression of political freedom and dissent, Washington is now prodding the rest of the world to crack down on sexual abuses of women and children.

The latest US campaign mounted by Assistant Secretary of State for Human Rights John Shattuck should touch some raw nerves here in Thailand. This is not so much because Thailand is placed on Washington's list of violators where 800,000 young people are allegedly subject to sexual abuses—a figure already disputed by Government Spokesman Aphisit Wetchachiwa as grossly exaggerated.

Rather, the targetting of attack on the under-aged flesh trade touches on a sensitive issue known to be close to Prime Minister Chuan Likphai's heart. It may be recalled that the elimination of "rampant" child prostitution was one of the cornerstones of the Government's social-policy platform.

But although this policy objective was personally advocated by the prime minister, the Government appears to have achieved little tangible progress after having served 18 months. An initial series of police blitz on brothels catering children for sex was said to have resulted in some temporary improvement but industry experts say child prostitution in general has since resumed by taking on new guises. In the meantime, new legislation promising tough penalties on procurers and clients has been slowcoming.

So at the very least, Washington's new campaign should serve to re-focus the Thai Government's attention and efforts to tackle this pervasive social problem once again. After all, it is hardly an enviable position for this country to be placed on top of the list of violators—India, Taiwan, the Philippines and Sri Lanka are also accused as the less severe offenders—and this piece of uncharitable news has been broadcast around the world.

Scathing accusations by American rights groups and legislators on the alleged complicity of Thai officials in the increasing smuggling of Burmese and Chinese women to serve the flesh trade here should, hopefully, also prompt some corrective government action.

While it is unfair to make generalised accusations against the integrity of the Thai police force, corrupt police elements extracting gains from illegal gambling dens and brothels around the country are a well-known systemic trend. Likewise, the wholesale smuggling of females from across the northern borders would not have been possible without the collaboration of corrupt officials stationed there.

In retrospect, it is unfortunate and unnecessary that government actions to deal with these glaring social ills should have to be prompted by foreign pressures like the sort now emanating from Washington. Child prostitution and the smuggling of Burmese and Chinese women here are very much Thailand's domestic problems that must be dealt with by our own authorities without other countries having to tell us what to do or what not to do.

From Thailand's national standpoint, this also raises the larger question of how far this country—or, for that matter, the other Asian countries targetted for the same fault—should tolerate foreign pressures like the Shattuck campaign.

First it was several years of threatened sanctions under Section 301 of the US Trade Act over allegedly inadequate property rights protection. Then there were more threats over alleged child labour abuses and the ban on state-enterprise labour unions here. After the current attack on under-aged prostitution, what will Washington come up with next? When do we—Thailand and other Asian countries which have all along been on the receiving end of these pressures—begin to fight back?

Whereas governments in the region have the moral and political obligation to rid their societies of sexual abuses on women and children, it is also time they stand up to question Washington's right and legitimacy to set human-rights standards for the rest of the world.

Should the average Americans be entitled to their basic rights to have decent housing and food through employment—something of which a large section of its populace has been deprived owing to years of economic policy mismanagement? Or should the average New Yorkers be entitled to the rights to walk around safely in their city which is notorious for being plagued with one of the highest crime rates in the world?

The self-appointed world champion of human rights should clean up its own house before telling others what to do.

Chuan Visits Yala; Separatists, Police Clash

BK2603083194 Bangkok BANGKOK POST in English 26 Mar 94 p 3

[Text] Yala—Paramilitary troopers and police yesterday evening clashed with separatist bandits of the Barisan Revolusi National at a mountain range in Ban Talowe in Yaha District.

The fighting erupted at about the time Prime Minister Chuan Likphai arrived for an inspection tour of this southern province.

No Thai officers were wounded in the 20-minute clash while some members of the separatist group, led by Ma Su-ngai Batu, were believed to have been hit by gunfire.

In downtown Yala, security has been stepped up in areas surrounding the Yala Rama Hotel where Mr. Chuan is staying.

About 100 cadets of the Ninth Regional Police Academy were deployed every 50 meters around the hotel while a van of the Interior Ministry which can monitor mobile telephone signals was parked in front of the hotel.

Police dogs were used to sniff for bombs at the residence of the Yala Governor where the Prime Minister is scheduled to meet with Muslim leaders of the province.

Meets With Muslim Leaders

BK2603154094 Bangkok Radio Thailand Network in Thai 0530 GMT 26 mar 94

[Text] A Yala-based Public Relations Department correspondent reported that Prime Minister Chuan Likphai and his delegation met Muslim leaders at the Yala Provincial Red Cross Society in Yala Province last night. On the occasion, the prime minister said that the government has tried to distribute wealth to rural areas throughout the country. The government has in particular promoted the growth triangle development project in southern provinces along with Malaysia and Indonesia. This project will help bring prosperity to this region. The prime minister said that the government has used a considerable amount of funds developing Yala Province in all fields. It has also tried to support religious activities. In conclusion, the prime minister thanked all the religious leaders for the cooperation they had given the government.

In addition, the prime minister will preside over a ceremony to open new air routes in Tambon Sateng, Muang District, Yala Province, to help ease traffic problems.

'Political Reasons' Behind Tension

BK2703125894 Bangkok THE SUNDAY POST in English 27 Mar 94 p 1

[Text] A member of the Pattani Provincial Islamic Committee has told Prime Minister Chuan Likphai that tension in the five southernmost provinces has been whipped up for political reasons with the aim of destabilising the Government.

Mr Nilek Sulaiman, also an executive member of the Islamic Committee of Thailand, said the prime minister must not be confused by developments in the area, which are "politically motivated and have political implications."

Mr Nilek said he met Mr Chuan by chance on board a plane on Friday while on his way to Pattani.

The Prime Minister was at the start of a three-day official visit to the southern most provinces.

Mr Nilek said he told Mr Chuan that tension and confusion in the area have been intentionally created.

Mr Nilek ruled out reports that the bombing in Hat Yai and bombs found on the railway track in Songkhla's Chana District are the work of separatists.

"They want to stir up more tension in the area, which no doubt would have direct impact on the Government," he said.

"More tension will be created in the near future." Mr Nilek, whose sister is married to Deputy Interior Minister Den Tomina, said he thought tension in the area had been created by a group of people who want to oust Minister Den.

"He has so many enemies in the area and as long as he remains in his post, tension will be whipped up to discredit him and the interior minister," he said.

Mr Nilek said the Pattani municipality of which he is a member has been put on full alert.

"We can't know when they will create more trouble in the municipal area," he said.

The Muslim deputy rector of Islamic Studies at Prince of Songkhla University (Pattani campus), Mr Worawit Balu shared Mr Nilek's view.

Mr Worawit said he tended to believe that political motives lay behind the area's tensions in the past month.

"I'm quite sure more trouble will be created in the area," he said.

Many Muslim officials in the region do not believe that separatists are directly responsible for tension created in Hat Yai, he said.

"It may be part of a plot to destabilise the Government. Without doubt, tension in the area is aimed at discrediting Gen Chawalit and Mr Den," he said.

Fourth Army commander Lt-Gen Kitti Rattanachaya yesterday briefed Prime Minister Chuan Likphai for 30 minutes on counter-terrorism activities in the southernmost provinces. Lt-Gen Kitti spoke of the peace talks with key members of separatist movements in recent months. A source said Lt-Gen Kitti complained of the red tape which prevents local officials from taking prompt action when trouble occurs. The efficiency of intelligence gathering among government officials was discussed.

Mr Chuan later told reporters in Pattani that only a small group of people are involved in attempts to create trouble in the area. He said the situation in the southernmost region is not as bad as the press makes out. He has urged local people to help the Government tackle the area's problems.

Despite the peace talks, anti-terrorist operations will have to continue, he said.

Chuan Discusses Refugee Problem, UN Help

BK2703132594 Bangkok Radio Thailand Network in Thai 1200 GMT 27 Mar 94

[Text] Speaking to reporters at Bangkok airport this afternoon on his return from an inspection tour of the south, Prime Minister Chuan Likphai said the repatriation of Cambodian refugees could be made after the situation in that country returns to normal. The prime minister said:

[Begin recording] [Chuan] As a matter of fact, we can bar them from entering our country. We must look after them for humanitarian reasons. Those carrying arms must be disarmed before their entry.

[Unidentified reporter] After the situation is safe, do we simply send them back?

[Chuan] This means allowing them tp cross the border into their country. We will not put them on buses and send them home because they came here without an invitation.

[Unidentified reporter] [Words indistinct]

[Chuan] These Cambodians are not permanent refugees. If the problem drags on, however, we should coordinate with the UNHCR [United Nations High Commission for Refugees] because we might be accused of supporting the Khmer Rouge. It is better to have outsiders come here to see the problem themselves. The problem is not that bad at this point. The refugees will not remain here for a long period of time. After the situation is safe, they must go.

[Reporter] It appears that the Cambodian Government is rather unhappy with the sudden repatriation of refugees without being contacted. The refugees reportedly returned to the areas under Khmer Rouge control.

[Chuan] We have no right to tell them where to resettle. They came here themselves. They have the right to go where they want. They are not permanent refugees. If that were the case, they would have been taken care of by international agencies from the very beginning. If they are going to be here for a long time, however, we will have to seek help from international organizations. The presence of Cambodian refugees has already caused a financial burden to the agencies involved. I heard complaints about this last Tuesday.

[Reporter] [Words indistinct]

[Chuan] The food supplies they carried with them will last only a short time. We will have to feed them later.

[Reporter] [Wordsindistinct]

[Chuan] They can choose where they want to stay after crossing the border. We will not force them to leave.

[Reporter] If the UNHCR asks Thailand to keep the refugees for an unspecified period, will we...

[Chuan, interrupting] We must decide if this is necessary or not. [end recording]

Borders Tightened Against New Influx

BK2703150094 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 27 Mar 94

[Text] There was a report from Chanthaburi Province that territorial defense volunteers had been deployed along the border after yesterday's attempt to push Cambodian refugees out of Thailand. The defense volunteers are deployed at Ban Sap Tali and nearby villages, and at Ban Phakkat in Tambon Khlong Yai, Pong Nam Ron District, the point where refugees were sent back. The deployment of defense volunteers was aimed at preventing a new influx of refugees as well as to stand by in readiness for any trouble that might happen where there is a large crowd of people.

According to the latest report, exchanges of artillery fire were heard sporadically from inside Cambodia. Correspondents from Chanthaburi Province reported renewed exchanges of gunfire between the Cambodian Government and Khmer Rouge forces. There was an intense exchange of about a hundred artillery rounds between 2300 and midnight yesterday opposite Tambon Khlong Yai, Pong Nam Ron District. Three rounds landed inside Thailand.

There was a report that at 1000 today Cambodian Government troops clashed with the Khmer Rouge forces opposite Ban Khlong Yai in Tambon Khlong Yai. About 400 Cambodian people crossed the border into Thailand at Ban Nong Kok, about 10 km from Ban Phakkat in Pong Nam Ron District. A Thai marine, however, explained that those refugees are the people living along the border. They would cross into Thailand whenever there was a fighting and return to Cambodia when the fighting died down.

Editorial Assails Repatriation Policy

BK2803032794 Bangkok THE NATION in English 28 Mar 94 p A6

[Editorial: "Unilateral Repatriation of Refugees Must Stop"]

[Text] The government's decision last Friday to forcibly return thousands of Cambodian refugees fleeing fighting back to Khmer Rouge-held areas is staggering in its insensitivity and shortsightedness.

Not only does the action completely undermine the Thai military's contention that it no longer supports the reviled guerrilla group but it has also exposed the country to accusations of human rights abuses and international condemnation.

The reaction from Phnom Penh, with which ties are already strained, was swift and not surprisingly bitter.

"It is a human rights abuse from some people or Thai authorities, and I would like to say clearly that (Cambodia is) not happy about this," Foreign Minister Prince Norodom Sirivut stated on Saturday.

Sirivut, who is due in Bangkok today to discuss the repatriation, hinted that Phnom Penh would now review earlier pledges to extend timber and gem contracts in the Pailin area and return seized mining and logging equipment.

The foreign minister also called on the "international community to look very carefully" at the Thai action and Bangkok's refusal to allow the UN or other aid organizations to go to the sites where the refugees are being held.

The world community, which just last month pledged an additional $770 million to rebuild Cambodia, can only be expected to react with disapproval to a move that will be perceived as prolonging the fighting.

The Cambodian army's attack on the former Khmer Rouge stronghold coincided with a propaganda offensive by the Thai military to convince a skeptic world that it no longer supports the guerrillas. Thai military officers who built up close contacts with the Khmer Rouge during the resistance war against the Vietnamese-backed government in the 1980s, have been accused of maintaining and profiting from the relationship after the guerrilla group took over the gem and timber-rich border zones around Pailin in 1989.

Following a call from the United States for Thailand to show it had cut its links with the group, the military arranged for journalists to tour the border two weeks ago. A second press tour of the villages where the refugees had taken shelter was arranged on Friday but then abruptly cancelled. Instead, the army sealed off the area, denying diplomats, journalists and officials from the UN and International Red Cross access to the refugees. At the same time reports began to emerge that the military had begun repatriating refugees, many against their will, despite an agreement with Phnom Penh to discuss and plan the return of the Cambodians.

In the ensuing news black out, unconfirmed reports claimed that the military may have culled out the young and able-bodied men among the refugees and repatriated them first by truck, to the Khmer Rouge-controlled zone of Phnum Malai.

Asked to explain the government's actions, spokesman Aphisit Wetchachiwa, cited the long refugee burden Thailand had carried and told AFP "we think what we have done is appropriate."

If denying refugees, many of whom were not only fleeing the fighting but also the Khmer Rouge, international security guarantees and forcing them back to areas they fear, can be considered "appropriate" neighbourly behaviour it is obviously going to take a long time before relations between Thailand and Cambodia reach a level of mutual respect.

Ever since 1979 when more than 30,000 Cambodians died after the Thai military forced them off steep cliffs along the border and into mine fields, the lack of respect officials have shown for the lives and welfare of Cambodia refugees has been a national shame.

In a small but telling irony, while independent observers and international aid agencies were denied access to the refugees over the weekend, Thai traders were allowed to profit handsomely selling food supplies to the refugees in return for jewellery and gold.

Once again, the image Thailand has presented to the world has been of conspicuously sleazy border traders enriching themselves under the administration of the military and off Cambodian refugees caught up in a murky political game.

As of yesterday, many of the refugees were still waiting to be sent home. There is still time to admit that the repatriation was undertaken with undue haste and to negotiate for the Cambodians to return under conditions that are acceptable to Thailand, Phnom Penh and the United Nations. The decision to send the refugees back was most likely taken under a dated Cold War reflex that seems to afflict many of our senior foreign ministry and security officials and not out of avarice or any intention to keep the Khme Rouge alive.

But while some people in Bangkok may believe that as long as refugees are being involuntarily pushed into Khmer Rouge-held areas, Thailand's blighted international reputation is not going to improve.

Vietnam

Do Muoi Continues Official Visit to Malaysia

Delivers Banquet Speech

BK2603160994 Hanoi VNA in English 1328 GMT 26 Mar 94

[Text] Hanoi VNA March 26—Malaysian Prime Minister Mahathir Mohamed gave a dinner in Kuala Lumpur yesterday evening in honour of Vietnam's party General Secretary Do Muoi now on an official friendship visit to Malaysia.

At the dinner, the Vietnamese party leader said:

We have had very profound impressions of Malaysia and its people. A few decades ago, Malaysia was known merely as one of the world's largest producers of rubber and tin. Today, it is a country with an advanced manufacturing industry and is striving to become an industrialized nation according to plan 'Vision 2020'. We are also deeply impressed by the fact that the economic development here has been closely linked with the promotion of the rich national culture in an atmosphere of harmony among different ethnic groups of a unified community. Malaysia has also been known for its initiatives for peace and cooperation among nations, especially among the regional and developing countries.

Allow us to share the pride of the people of Malaysia in their great achievements in national construction and sincerely wish Malaysia prosperity and the Malaysian people happiness. We are firmly convinced that the industrious, dynamic and creative people of Malaysia, under the clear-sighted leadership of your excellency the Prime Minister, Dr. Mahathir Mohamed, and the other leaders of the national alliance, will certainly bring about prosperity for Malaysia and make important contributions to the common prosperity of our region as well as of the whole of Asia and the Pacific.

After nearly half a century of arduous struggle to defend our national independence, sovereignty and unity, the Vietnamese people are now doing their best to build their fatherland, striving to become 'a rich people, a strong country, and an equitable and civilized society'. In renewing ourselves for that lofty goal, we have made very important achievements: production is up inflation repelled the people's living standard making one step toward improvement social situation stable and foreign relations ever broadened. [sentence as received] These achievements are providing us with the premise to bring our country into a new phase in which we will make a step forward in our industrialization and modernization. We are fully conscious that this is not a simple work. However, with the tradition of dauntlessness in struggle and industry in production, the Vietnamese will certainly succeed in building a prosperous country and a plentiful and happy life, contributing a worthy share to the prosperity of the whole region.

Our two countries are indeed close, both situated by a rich and beautiful sea.Our two peoples share many similarities in culture and history and a past of being colonized by foreign powers and having struggled undauntedly and persistently for national independence. Today, we also share the aspiration for peace and cooperation and the strive toward development and prosperity, and toward peace and stability in the region. These are the solid foundations for our friendship and long-term cooperation in the interest of the prosperity of each country, and of cooperation and development in South East Asia. We note with satisfaction that owing to the efforts by both sides over the past few years, we have forged a bilateral relationship full of fraternity and mutual understanding and trust.

Our many-sided cooperation has also developed quickly and favourably. We are sure that this trend will now continue to grow fruitfully for the benefit of both countries. A new proof is the exchange of views full of openness, friendship and mutual understanding that we have had with your excellency the prime minister and other leaders of Malaysia.

Holds Talks With Mahathir

BK2703070194 Hanoi VNA in English 1354 GMT 26 Mar 94

[Text] Hanoi VNA March 26—General Secretary of the Communist Party of Vietnam (CPV) Central Committee Do Muoi held talks with Prime Minister Mahathir Mohamed in Kuala Lumpur on March 25, the 2nd day of his official visit to Malaysia.

The talks were also attended, on the Vietnam side, by Le Phuoc Tho, Politburo member, secretary of the party Central Committee and head of its Commission for Organization; Nguyen Manh Cam, Politburo member of the party Central Committee and minister for foreign affairs; Hong Ha, secretary of the party Central Committee and head of its Commission for External Relations and Tran Duc Luong, member of the party Central Committee and deputy prime minister.

Foreign Minister Abdullah Ahmad Badawi and other Malaysian-ranking officials were also present.

During the talks, General Secretary Do Muoi highly appreciated the great achievements recorded by the Malaysian people and their experiences in national development and construction.

On behalf of the Vietnamese party, government and people, General Secretary Do Muoi thanked the Malaysian Government for sharing their precious experiences in economic development and management. He applauded the Malaysian Government's policy which attaches great importance to the promotion and strengthening of its relations with Vietnam. He held the two countries have great potentials for further expansion of their multi-faceted cooperation, especially in the oil and gas, industry, electronics, rubber and palm oil production, construction of infrastructure, urban management, tourism and labour cooperation.

Prime Minister Mahathir Mohamed, for his part, praised the tradition of heroic struggle of the Vietnamese people and the important achievements they obtained in their renovation process. He hailed the Vietnamese party and government's open diversified and multilateralized foreign policy and considered it an important contribution to the cause of peace, stability and cooperation in the region.

The Malaysian prime minister also expressed his support for Vietnam's participation in regional forums like the Pacific Economic Cooperation Council (PECC), the East-Asia Economic Caucus (EAEC), and the Pacific Basin Economic Council (PBEC), and he said hoped that Vietnam would soon become a full member of the ASEAN.

Referring to the relations between Vietnam and Malaysia, Prime Minister Mahathir Mohamed underlined the Malaysian Government's desire and determination to strengthen the friendship and effective cooperation with Vietnam, promote the exchange of experiences, encourage the Malaysian businesses to invest in Vietnam, and expand trade relations with Vietnam. He also said that Malaysia would be ready to help Vietnam in personnel training.

The two sides also exchanged views on some international issues of common concern. Touching on the issue of human rights, the two leaders unanimously held that it is a universal issue, but it is necessary to take each nation with its own specific characteristics into consideration the greatest right of human beings is to live in peace, independence, democracy and development, and freedom of each person should be linked to his responsibility to the community. [sentence as received] Vietnam and Malaysia are prepared for talks and cooperation, but then protest against any attempts to use the human rights issue to interfere into the internal affairs of other countries.

On this occasion, General Secretary Do Muoi invited Prime Minister Mahathir Mohamed to visit Vietnam. The latter accepted the invitation with pleasure.

Activities Detailed; Departs 27 Mar

BK2703155594 Hanoi VNA in English 1514 GMT 27 Mar 94

[Text] Hanoi VNA March 27—General Secretary Do Muoi and his party arrived in Ho Chi Minh City this afternoon, concluding a 4-day official visit to Malaysia from March 24-27. On March 26, General Secretary Do Muoi and his party toured the state Melaka. In Melaka, the Vietnamese delegation call at the oil refinery Petronas Melaka of the Petronas Company. On this occasion, the leadership of Petronas Company gave a banquet in honour of General Secretary Do Muoi and his party. In the afternoon, the Vietnamese delegation called on the Teac-Malaysia company, and the cultural tourist attraction of village Zir Keroh in the suburbs of Melaka. Later, the delegation paid a visit to the Independence Memorial Museum and a number of historical relics in Melaka City. Also on March 26, Governor of Melaka State Ahmad Mahmud Shahabudin and Prime Minister Rahim Thamby Chik paid a courtesy visit to General Secretary Do Muoi. On this occasion, the Melaka Government gave a banquet in honour of the Vietnamese guests.

Present at the banquet were Governor Ahmad Shhabudin, Prime Minister Rahim Thamby Chik, and a number of government's officials and businessmen. On his last day in Malaysia, General Secretary Do Muoi visited Kelang Port. Before leaving Kuala Lumpur the Vietnamese were given a luncheon by Renong Group, whose companies are implementing investment or joint venture projects in Vietnam. Speaking to the businessmen, Mr. Do Muoi welcomed the group's investment projects in Vietnam and wished them success, thus contributing to the promotion of the friendly and cooperative relations between the two countries.

Upon leaving Malaysia for home, General Secretary Do Muoi sent a message of thanks to Prime Minister Mahathir Mohamad.

The message says in part: 'The fine results of the visit and the useful and constructive exchanges of views that we had with Your Excellency and the other excellencies have further affirmed our determination to promote the relations of friendship and multi-faceted cooperation between Vietnam and Malaysia in the interests of our two peoples, and of peace and development in the region and the world as a whole'.

Talks Held With PRC on Tonkin Gulf Issue

BK2703142494 Hanoi VNA in English 1412 GMT 27 Mar 94

[Text] Hanoi VNA March 27—Vietnamese and Chinese officials met here on March 22-25 to discuss working procedures and regulations of the Vietnam-China Joint Working Group for Delineation of Bac Bo (Tonkin) Gulf.

This was in furtherance of the 'Agreement on Fundamental Principles To Solve the Border and Territory Problems Between the Socialist Republic of Vietnam and the People's Republic of China' signed on 19 last October. The Vietnamese head delegate at the talks was Mr. Tran Cong Truc, deputy head of the Government's Border Commission and deputy head of the Vietnamese delegation, and the Chinese head delegate was Mr. Chen Weiliang, advisor to the Chinese Government's delegation. During the talks, the two sides agreed on the working procedures and regulations of the group. They also agreed that the second meeting of the group will be convened in Beijing, China. The talks took place in an atmosphere of friendship, sincerity, frankness and mutual understanding. The group was received on March 25 by Deputy Foreign Minister Vu Khoan, who is the head of the Vietnamese Government's delegation. Chinese Ambassador to Vietnam Zhang Qing was present at the reception.

NHAN DAN Previews President Ramos' Visit

BK2803065594 Hanoi VNA in English 0610 GMT 28 Mar 94

[Text] Hanoi VNA March 28—Philippine President Fidel V. Ramos's official friendship visit to Vietnam expected here today is a significant event in the friendly and cooperative relations between the two countries, says NHAN DAN in an editorial today.

The editorial continues: Vietnam and the Philippines have had time-honoured culture and trade exchanges. Over the past recent years, there have been positive changes in the cooperative relations between the two countries. Prime Minister Vo Van Kiet's official visit to the Philippines in 1992 is a great landmark in the promotion of mutual understanding and trust, creating and impetus to their economic-trade cooperation. The two-way trade value increased to nearly USD [U.S. dollars] 50 million in 1993 from USD 12 million in 1988. The Philippines has 11 investment projects in Vietnam with a total capital of USD 60 million, ranking 18th among foreign countries investing in Vietnam. 'As neighbour, Vietnam and the Philippines have a common aspiration for each country's socio-economic progress, for peace, stability, cooperation, and development in the region. The Philippines and Vietnam have had a common voice in seeking peaceful solutions, conforming to their interests as well as international laws and pratices, to solve problems left behind by the history and foster the friendly and cooperative relations between the two countries'.

The paper wishes President Ramos's visit a success, thus contributing to further promoting the Vietnam-Philippines relations for happiness and prosperity of the two nations, and for peace, stability, cooperation and development in the region and all over the world.

Taiwan Minister Requests Access for Banks

OW2803080994 Taipei CNA in English 0740 GMT 28 Mar 94

[By Chang Ta-jen and Debbie Kuo]

[Text] Hanoi, March 28 (CNA)—P.K. Chiang, minister of economic affairs of the Republic of China [ROC], Monday [28 March] called on the Vietnamese Government to allow Taiwan banks access to Vietnam.

During a meeting with ranking officials of the central bank of Vietnam, Chiang said establishment of Taiwan bank operations in Vietnam is essential "to helping Taiwan investors stay and expand and consequently contribute to the economic growth of the Southeast Asian country."

After accepting applications from nine foreign banks, including one from Taiwan, the Vietnamese Government froze all other applications.

Chiang asked the Vietnamese officials to give special consideration to an application from another Taiwan bank—the Medium Business Bank of Taipei—to set up an affiliate in their country as Taiwan is the top foreign investor here.

Meanwhile, a draft cooperation agreement was signed during a ceremony Sunday for the development of a sugar refining plant in Vietnam. The agreement brings together the state-run First Vietnam Sugar Co., Taiwan Sugar Corp., and three other Taiwan food processing companies.

The joint venture operation, to be named Vietnam-Taiwan Sugar Corp. (VTSC), will be the biggest single investment project ever from Taiwan.

The VTSC investment, with a price tag of U.S.$66 million and a projected annual production of 90,000 metric tons of crude sugar, is awaiting approval from the Legislative Yuan, Chiang said.

Chiang, during a meeting with Vo Tran Chi, ruling party secretary-general of Ho Chi Minh City, pointed out that increasing land prices in Vietnam, fueled by a new land law, have led to difficulties for foreign investors, specially those from Taiwan.

The greatest effect will be on a Taiwan industrial processing zone which was developed in Hanoi before the land law went into effect. Under the land law, investors who use the land must pay compensation for crops which would have been produced on the land for the next 50 years.

"The investment plan may be put on hold if the problems surrounding land acquisition are not resolved," said Fang Jeng-hui, manager of the processing zone.

The new land law has already scared away many potential Taiwan investors who planned to move their operations to Vietnam, Fang said.

Up to January, the Vietnamese Government had approved 113 applications by Taiwan investors for investments worth over U.S.$1.53 billion, making Taiwan the top forign investor here.

Nguyen Thi Binh Receives French Health Minister

BK2703065894 Hanoi VNA in English 1358 GMT 26 Mar 94

[Text] Hanoi VNA March 26—Vice President Mrs. Nguyen Thi Binh received here this afternoon Mrs. Simone Veil, secretary of state and minister of public health, social and urban affairs of France, now on an official visit to Vietnam.

Present at the reception were Minister of Public Health Prof. Nguyen Trong Nhan, and French Ambassador to Vietnam J. Francois Nougarede. During the reception the Vietnamese leader welcomed Mrs. Simone Veil's visit to Vietnam at the time when the friendship and cooperation between the two countries were being developed and broadened in various fields, particularly economic, finance, public health, social affairs and culture.

For her part, Mrs Veil expressed her belief that her visit would made favourable conditions for promoting cooperation and exchanging experiences in the fields of common interest.

Mrs. Simone Veil arrived here this morning at the invitation of Deputy Prime Minister Nguyen Khanh, who greeted her upon arrival at government guest house. Mr. Khanh welcomed her visit, and said he hoped that it would be successful and contribute to the development of the friendship and cooperation between the two countries.

Agreement Signed With Sweden on Double Taxation

BK2703064994 Hanoi VNA in English 1420 GMT 26 Mar 94

[Text] Hanoi VNA March 26—Vietnamese Ambassador to Sweden Pham Ngoc, on behalf of the Vietnamese Government, and Vice Minister of Finance Dick Kling, on behalf on the Swedish Government, signed in Stockholm on March 24 an agreement on avoidance of double taxation between the two countries.

Together with the agreement on investment promotion and guarantee signed in September 1993, the new agreement will contribute to promoting their economic, commercial, scientific-technical and investment cooperation on the basis of mutual benefit in conformity with the traditional friendship and cooperation between the two countries.

Australia

Government Announces Cabinet Reshuffle 25 Mar

BK2503083194 Melbourne Radio Australia in English 0500 GMT 25 Mar 94

[Text] Australia's Prime Minister Paul Keating has elevated a junior left-wing minister to cabinet as well as giving Dr. Carmen Laurence the rapid promotion expected in his latest ministerial changes. In a wider than anticipated reshuffle, science has had a major elevation into cabinet, and Linda Mottram reports the deputy prime minister, Brian Howe, has defied his critics to take on a significant new area.

[Begin Mottram recording] Carmen Laurence, picked as a future labor leader, is in cabinet as health and human services minister less than a week after taking up her new seat in federal parliament. A second edition to the front bench is Queensland's right-winger, Con Sciacca, becoming veteran affairs minister. A third is former minister, Gary Punch, taking on defense, science, and personnel. Rewarded is left-winger, John Faulkner, who is elevated to cabinet as environment minister; another left-winger, the deputy prime minister, Brian Howe, as regional development to his housing responsibility. Chris Schacht moves to troubled science arm of his small business and customs portfolio. Science is elevated to cabinet under Industry Minister Peter Cook. Other changes cover administrative services, special ministerial state, and some parliamentary secretaries. [end recording]

Keating Appeals for Calm Over FYROM Recognition

BK2803030494 Melbourne Radio Australia in English 0100 GMT 28 Mar 94

[Text] The Australian Government has again appealed for calm in the continuing row over its recognition of the Former Yugoslav Republic of Macedonia [FYROM]. In a statement read to crowds of people celebrating Greek independence day, Prime Minister Paul Keating expressed regrets that Australia's good record of harmonious community relations were under threat. He urged ethnic and religious leaders to appeal for calm and to resolve differences lawfully. There have been a number of arson attacks on shops and churches and by members of both communities.

Macedonian Council Calls Strike

BK2803031094 Melbourne Radio Australia in English 0100 GMT 28 Mar 94

[Text] Macedonian Council of Australia has called for a nationwide campaign of civil disobedience against the federal government's use of the term Slav Macedonians. The term refers to members of the Former Yugoslav Republic of Macedonia.

The council has called on Australia's 200,000 Macedonians to oppose the federal government's move. The council wants members filling out official forms to use only the term Macedonia when describing their country of birth and for appeals to be lodged if government agencies failed to recognize the term.

South Australia's spokesman for the Macedonian Council, Alexander Glevchev, admits the campaign may force hardship upon members of the community.

[Begin Glevchev recording] Hardship is a relative term when you are a Macedonian person. We came out here many years ago—our people escaping prosecution, starvation, and war. This hardship could be minor in relevance to that. [end recording]

Closer Ties With Singaporean Forces Agreed

BK2803123594 Singapore Singapore Broadcasting Corporation in English 1100 GMT 28 Mar 94

[Text] Singapore and Australia have signed a letter of intent promoting closer ties between the armed forces of the two countries. It was signed by the defense minister, Dr. Yeo Ning Hong, and his Australian counterpart Senator Robert Ray in Canberra.

Mindef [Ministry of Defense] says the two armed forces will explore ways of extending and enhancing reciprocal activities, exchanges, and cooperation for mutual benefit.

Dr. Yeo is in Australia on a four-day official visit at the invitation of Senator Ray. He held discussions with Senator Ray and the minister for trade and acting foreign minister, Senator Bob McMullan. Dr. Yeo also called on the Australian prime minister, Mr. Paul Keating.

He is accompanied on the visit by the minister of state for finance and communications, Commodore Teo Chee Hean.